

Date: March 7, 2024

From: Tara Shaia

To: Director Doss and Chief Ramirez, RHFD
cc: RHFD Board Directors Bowman, Davidson, Hill, and Mikel
RHFD Administrative Services Officer/Clerk of the Board Corcoran

Re: RHFD leadership – Public Information

Hello Director Doss and Chief Ramirez,

I am writing to bring to your attention my concern that RHFD leadership is not properly informing the public about agenda items nor allowing full participation during public meeting.

Recent case in point: The meeting agenda for RHFD Special Meeting of February 21 had been amended to include an additional item, #5. The item was STRATEGIC DIALOGUE AND EXPLORATION OF POTENTIAL PATHWAYS FOR ANNEXATION, AIMED AT GUIDING ACTIONABLE INSIGHTS, SHOULD THE NEED ARISE (POSSIBLE ACTION ITEM), BOARD, 15 MINUTES.

When I saw the item (2/16/2024), I emailed Tammy to request any information that would inform and support the agenda item. Tammy replied (2/20/2024) that she checked with Chief Ramirez and was told that there was no additional documentation. The item, as stated in the agenda, was jumbled and unclear. How would the public even decipher the intent of this discussion/*possible action* item?! How does RHFD leadership expect the public to participate when there is *absolutely no information provided* on an agenda item?!

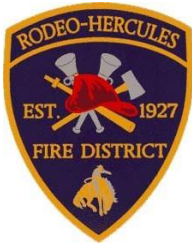
Further concern from this same meeting: Another problem occurred at the end of that Special Meeting of February 21. There was an important item being discussed: that of Director Hill's conflict of interest due to his employment/association with ConFire and the fact that ConFire is truly the only annexation option on the table.

One person had brought up the issue of Director Hill's conflict of interest. Then Mr. Pio Roda gave an extended comment about what he believed the conflict of interest status was, as well as what he believed Hill's intentions had been/are. Hill then proceeded to over-explain how he would certainly excuse himself if he believed he had a conflict of interest.

I personally had raised my hand via Zoom to participate in that topic since it was still public comment time. However, upon Hill's declaration that he would excuse himself if he thought he had a bias, Director Doss said "any other comments?" And 1 (or 2) seconds later, Doss closed the meeting, clearly unaware that 1 or 2 seconds does not provide Admin the time to check or respond to any further request for public comment.

I do not believe this was directed at me personally. However, I do believe this, and lack of clarity on agenda items, are indicative of the ongoing failure of the RHFD leadership to both elicit and respond to public comment and concern.

Respectfully,
Tara Shaia



RODEO-HERCULES FIRE PROTECTION DISTRICT

1680 REFUGIO VALLEY ROAD, HERCULES, CALIFORNIA 94547

(510) 799-4561 FAX: (510) 799-0395

REGULAR BOARD MEETING MINUTES FEBRUARY 14, 2024

1. **CALL TO ORDER/ROLL CALL** – Meeting called to order at 6:32 p.m. Directors Delano Doss, Marie Bowman, Steve Hill, Charles Davidson and Robyn Mikel present.
2. **PLEDGE OF ALLEGIANCE** (1:00)
3. **ADJOURN TO CLOSED SESSION** (1:30)
4. **RECONVENE IN OPEN SESSION/CLOSED SESSION REPORT OUT** (1:50) Nothing to report out.
5. **FIREFIGHTER OF THE YEAR PROCLAMATION** (2:15) Proclamation honoring Carlo Granzella as Firefighter of the Year for 2023. Carlo was praised for his dedication, integrity, and initiative. He was also commended for his contributions in multiple collateral assignments, including his work on the apparatus replacement schedule. Carlo expressed his gratitude towards the Board, his chief and command staff, fellow firefighters, and his family for their support.
6. **ANNOUNCEMENTS OF DISTRICT EVENTS** (12:50) None.
7. **CONFIRMATION OF THE AGENDA** (13:11) Motion by Vice Chair Bowman to approve agenda. Seconded by Director Hill. Motion passed unanimously.
8. **REVIEW OF CORRESPONDENCE TO THE BOARD** (13:49) None.
9. **PUBLIC COMMUNICATIONS ON ITEMS NOT ON THIS AGENDA** (14:20) None.
10. **CONSENT CALENDAR** (15:10) Motion by Vice Chair Bowman to approve consent calendar. Seconded by Director Hill. Motion carried.
11. **EMS PRESENTATION** (16:10) Captain Jack Clapp discussed the evolution of RHFD, highlighting the shift from a basic life support (BLS) to an advanced life support (ALS) system. He emphasized the increasing importance of ALS, noting that 73.3% of all emergency calls in 2023 were for medical emergencies. He clarified the roles of various entities in providing emergency medical services (EMS), including Contra Costa County, the state through the Emergency Medical Services authority, and the local EMS agency.
12. **RECEIVE MIDYEAR BUDGET REPORT** (1:10:44) Chief Rebecca Ramirez outlined expenditure details and potential issues. The areas of discussion included the personnel budget, which was overspent due to a clerical error in the initial budget preparation. The retirement budget

was also significantly over budget due to an inaccurate estimate from CCCERA. The services and supplies budget was well underspent, with some categories projected to increase in the future. The Chief also touched on potential areas for reallocation of funds and the status of various capital improvement projects.

Public Comment

Robert Baum
Maureen Brennan

Motion made by Director Hill to make a mid-year adjustment by reallocating capital funds and initiate a fund balance transfer to cover the forecasted deficit. Seconded by Director Mikel.

Roll Call Vote (5-0)

Davidson	Yes
Bowman	Yes
Mikel	Yes
Hill	Yes
Doss	Yes

13. MULTIJURISDICTIONAL LOCAL HAZARD MITIGATION PLAN (2:27:19)

Chief Ramirez discussed the multi-jurisdictional local hazard mitigation plan, which is updated every five years as a federal requirement. The plan identifies potential hazards and suggests mitigation measures. Chief Ramirez emphasized that the plan is a fluid document, subject to change as new risks emerge.

14. MODIFICATION TO AGREEMENT WITH M.E.D. ENTERPRISES INC. (2:37:12)

MED Contract ends on May 11, 2024. The board decided to continue discussion and action on the item at the March regular meeting.

15. UPDATE ON BOARD CSDA KEY LEARNINGS WORKSHOP (2:44:41) Vice Chair

Bowman moved to hold a special meeting at 6pm on March 27 at station 76 to prioritize CSDA key learnings; to be facilitated by Chair Bowman and Director Hill. Seconded by Director Mikel.

Roll Call Vote (5-0)

Davidson	Yes
Bowman	Yes
Mikel	Yes
Hill	Yes
Doss	Yes

16. POSSIBLE MEASURE O ORDINANCE REVISIONS (2:49:47)

The board discussed a potential modification to the Measure O ordinance, transitioning from a parcel tax to a unit tax. This change is aimed at promoting fairness and addressing revenue loss due to senior exemptions. The board is looking to hire a consultant based on board direction to determine whether there should be a modification to the Measure O ordinance.

Public Comment

Maureen Brennan

John Bischoff

Vincent Wells

Tara Shaia

Frank JM Grimsley II

17. **FIRE CHIEF’S REPORT** (3:33:52) District is applying for a radio grant with Crockett-Carquinez Fire District as well as a cardiac monitor grant. The remainder of the information contained in the chief’s report was accepted as distributed in the board packet.
18. **STAFF REPORTS** (3:35:18) None.
19. **BOARD MEMBER REPORTS** (3:35:25) Board Chair Doss dissolved the strategic plan committee, budget committee, website committee, alternative funding committee, and Measure O committee. Vice Chair Bowman attended the West Contra Costa Fire Safe Council meeting.
20. **MEASURE O OVERSIGHT COMMITTEE** (addressed previously at item 16)
21. **LOCAL 1230 COMMENT** (3:40:11) None.
22. **REQUEST FOR FUTURE AGENDA ITEMS** (3:40:16)
 - Presentation by East Bay Hills Wildfire Prevention coordination group
 - Presentation by Contra Costa County on regional obligation payments
 - Closed session to discuss personnel matter
 - Strategic planning update added as standing agenda item
23. **ADJOURNMENT** – Meeting adjourned at 10:44 p.m



RODEO-HERCULES FIRE PROTECTION DISTRICT

1680 REFUGIO VALLEY ROAD, HERCULES, CALIFORNIA 94547

(510) 799-4561 FAX: (510) 799-0395

SPECIAL BOARD MEETING MINUTES

FEBRUARY 21, 2024

1. **CALL TO ORDER/ROLL CALL** Meeting called to order at 6:02 p.m. Directors Delano Doss, Marie Bowman, Steve Hill, Charles Davidson and Robyn Mikel present.
2. **PLEDGE OF ALLEGIANCE** (1:11)
3. **REQUEST FOR PROPOSAL DEVELOPMENT** (1:44) Chief Mike Despain discussed the development of a request for proposal (RFP). The board agreed on a 30-day intent window for potential partners to express interest, followed by a 90-day turnaround time for agencies to evaluate and submit their proposals. The discussion also centered on the content of the RFP, including the need for baseline measurements and strategic goals. The board decided to seek legal counsel's opinion on the RFP before its release.

Public Comment

Vincent Wells
 Anthony Stephens
 Elizabeth Genai
 Jan Callaghan
 Derek Cochnauer

4. **REQUEST FOR PROPOSAL (RFP) SELECTION PROCESS** (1:21:52) The discussion revolved around the Request for Proposal (RFP) process, with a particular focus on the contract for services. The group emphasized the importance of due diligence in evaluating proposal viability and noted that the decision should not be solely based on financial considerations. There were concerns about the potential responses to the RFP and the implications for the district's local control and management. The group also highlighted the need to consider the different cost structures of special districts compared to city fire departments, and the potential impact on financial sustainability and public safety.

Public Comment

Robert Baum

5. **STRATEGIC DIALOGUE AND EXPLORATION OF POTENTIAL PATHWAYS FOR ANNEXATION, AIMED AT GUIDING ACTIONABLE INSIGHTS, SHOULD THE NEED ARISE** (1:34:11) Vice Chair Bowman moved to table item 5. Seconded by Director Davidson. Motion failed.

Roll Call Vote (2-3)

Davidson	Yes
Bowman	Yes
Mikel	No
Hill	No
Doss	No

The inclusion of an agenda item about annexation led to a discussion about the strategic plan and the process of annexation. Chief Despain outlined the initial steps of annexation and emphasized the need for discussions with the potential annexing party. The participants also decided to contract out a municipal service review, with a focus on service level, not labor or negotiations. The process, including contract negotiation, was estimated to take approximately a year. Chief Despain also clarified the difference between annexation and a contract for service.

Public Comment

Robert Baum

6. **ADJOURNMENT** – Meeting adjourned at 8:00 p.m.

2:45 PM
03/08/2024

Date	Num	Name	Memo	Account	Amount
02/01/2024	W4102379YB	American Messaging	February 2024	2110 · Communications	-38.24
02/01/2024	24476	IEDA INC	February 2024	2310 · Professional/Specialized Servic	-1,820.02
02/01/2024	FEB 2024	The Standard	February 2024	1060 · Group Insurance	-580.00
02/01/2024	March 2024	American River Benefit Administrators	March 2024	1060 · Group Insurance	-774.18
02/01/2024	T164823	Bay Area Air Quality Management District	Annual Permit	2477 · Educational Supplies & Courses	-491.00
02/01/2024	T165582	Bay Area Air Quality Management District	Annual Permit	2477 · Educational Supplies & Courses	-560.00
02/01/2024	21199	Townsend Public Affairs	January 2024	2310 · Professional/Specialized Servic	-5,000.00
02/01/2024	21200	Townsend Public Affairs	February 2024	2310 · Professional/Specialized Servic	-5,000.00
02/01/2024	80	In n Out Burger		2303 · Travel Expenses-Other	-81.16
02/02/2024	24A00276708	Ready Refresh	January 2024	2150 · Food	-41.97
02/02/2024	37867B29	Sonix	3 Transcription Hours	2100 · Office Expenses	-30.00
02/05/2024	76-528495-01/30	EBMUD	76-11/28/23-01/30/24	2120 · Utilities	-2,607.86
02/05/2024	76-528407-1.30.24	EBMUD	76-11/28/23-01/30/24	2120 · Utilities	-372.82
02/08/2024	256619	J.W. Enterprises	February 2024	2310 · Professional/Specialized Servic	-359.00
02/09/2024	55093	CSG Consultants	12/30/23-01/26/24	2310 · Professional/Specialized Servic	-1,225.00
02/09/2024	2833-183797	O'Reilly	Antifreeze	2272 · Central Garage Gas/Oil	-75.35
02/09/2024	76-4017223667-feb	P.G.&E.	76-01/09/24-0/07/24	2120 · Utilities	-467.11
02/10/2024	9956417154	Verizon Wireless	01/11-02/10/24	2110 · Communications	-19.12
02/12/2024	75-5183799518-feb	P.G.&E.	75-01/10/24-02/08/24	2272 · Central Garage Gas/Oil	-291.80
02/12/2024	1200	Peets Coffee	Coffee for Engineers Exam	2150 · Food	-35.00
02/12/2024	1200	Peets Coffee	Proctor GC	2150 · Food	-120.00
02/13/2024	085019	Rodeo Autotech	Oil change	2271 · Central Garage Maintenance	-121.04
02/15/2024	75-188820695MARC	P.G.&E.		2120 · Utilities	-36.96
02/16/2024	267033776	T Mobile	01/18-02/13	2110 · Communications	-136.70
02/19/2024	85254445	Bound Tree	Medical Supplies	2140 · Medical Supplies	-982.30
02/20/2024	206633	Office Machine Specialist	Copier Maintenance Agreement 02/15/24-02/14	2250 · Rents & Leases	-1,906.41
02/22/2024	5266107899	US Digital Designs	Adaptor Plate	2276 · Maintenance-Radios & Electronic	-140.12
02/23/2024	75-9173373209-MAR	P.G.&E.	75-01/24/24-02/22/24	2120 · Utilities	-215.78

02/26/2024	00036	Strategic Advisory Services	July 1, 2023-December 31, 2023	2310 · Professional/Specialized Servic	-21,000.00
02/26/2024	W1002933	Golden State Emergency Vehicle Service	Repairs	2271 · Central Garage Maintenance	-9,342.28
02/26/2024	812889	Napa Valley Petroleum	fuel	2272 · Central Garage Gas/Oil	-2,277.74
02/28/2024	85264475	Bound Tree	Medical Supplies	2140 · Medical Supplies	-1,587.29
02/28/2024	RDO CY 2023-4	Firestats	October 2023-December 2023	2310 · Professional/Specialized Servic	-562.50
02/28/2024	082793	Kel-Aire	75- February 2024 Maintenance	2281 · Maintenance of Buildings	-390.30
02/28/2024	February2024	Greg Kennedy	February 2024	2310 · Professional/Specialized Servic	-3,680.00
02/28/2024	96683	Vallejo Fire Extinguisher	76- Annual Maintenance & Hydro Test	2270 · Repairs & Services of Equipment	-173.33
02/29/2024	85265905	Bound Tree	Medical Supplies	2140 · Medical Supplies	-288.25
02/29/2024	RDO 24-2	M.E.D. Enterprises, Inc	February 2024	2310 · Professional/Specialized Servic	-2,465.00
02/29/2024	214523	Meyers Nave	January 2024	2310 · Professional/Specialized Servic	-7,897.91
02/29/2024	2015600	Municipal Emergency Services	Turnouts (5)	2474 · Firefighting Supplies	-18,967.97

RODEO-HERCULES FIRE PROTECTION FIRE DISTRICT**MEMORANDUM****TO: Board of Directors, RODEO HERCULES FIRE PROTECTION FIRE DISTRICT****FROM: Rebecca Ramirez, INTERIM FIRE CHIEF****DATE: March 13, 2024****RE: FY 2022-2023 Annual Audit**

BACKGROUND:

Following general accounting principles, the Fire District contracts with an independent auditor to conduct annual audits of District finances. This is the seventh year the District has engaged the assistance of Harshwal & Company LLP to provide the following services to the Fire District as required:

- Basic Financial Statements
- Preparation of Annual Report of Financial Transactions for the District (SCO Report)
- Financial Report for Measure O

RECOMMENDATION:

The Board of Directors receive and accept the Basic Financial Statements and Required Communications for the year ending June 30, 2023, and the Measure O Financial Report for the year ending June 30, 2023, as prepared by Harshwal & Company LLP.

This is an action item.

ATTACHMENTS:

- 2022-2023 Basic Financial Statements (Audit Report)
- Financial Report for Measure O

RODEO - HERCULES FIRE PROTECTION DISTRICT

HERCULES, CALIFORNIA

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2023



**RODEO - HERCULES FIRE PROTECTION DISTRICT
TABLE OF CONTENTS
JUNE 30, 2023**

	<u>Page(s)</u>
FINANCIAL SECTION	
Independent Auditor's Report.....	01
Management's Discussion and Analysis (Unaudited).....	04
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	12
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	15
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities.....	20
Notes to Financial Statements.....	21
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in the Net Pension Liability and Related Ratios.....	44
Schedule of Contributions - Pension Plan.....	48
Schedule of Changes in the Net OPEB Liability and Related Ratios.....	50
Notes to Required Supplementary Information - OPEB Plan.....	51
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual: Governmental Fund.....	52
COMPLIANCE SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	53
Schedule of Findings and Responses.....	55
Summary Schedule of Prior Year Audit Findings.....	57

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Rodeo - Hercules Fire Protection District
Hercules, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Rodeo - Hercules Fire Protection District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the District as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 11, and required supplementary information on page 44 through 52 be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 07, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Harshmal & Company LLP

Oakland, California
March 07, 2024

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

Our discussion and analysis of the Rodeo - Hercules Fire Protection District (the "District") provides the reader with an overview of the District's financial position and performance for the period ending June 30, 2023. The Management's Discussion & Analysis (MD&A) describes the significant changes that occurred in general operations and discusses the activities during the year for capital assets and long-term debt. The discussion concludes with a description of currently known facts, decisions, and conditions that are expected to impact the financial position of the District's operations. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements:

- The District ended its fiscal year with positive net position of \$1,344,202.
- The total program Expenses were \$8,921,276.
- The total program revenues were \$785,864.
- The total general revenues were \$8,526,823.
- The change in net position represents an increase of \$391,411.

Fund Financial Statements:

- The General Fund operating revenues exceeded its expenses leaving a fund balance of \$5,936,839.
- The Hercules Fire Impact Fund operating expenses exceeded its revenues leaving a fund balance of \$185,033.
- The Rodeo Fire Impact Fund operating expenses exceeded its revenues leaving a fund balance of \$20,612.
- The Capital Projects #1 Fund operating expenses exceeded its revenues leaving a fund balance of \$117,125.
- Measure O Parcel Tax Fund operating revenue exceeded expenses leaving a fund balance of \$968,133.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$5,936,839. Restricted fund balance of the Hercules Fire Impact Fee Special Revenue Fund was \$185,033; and the Rodeo Fire Impact Fee Special Revenue Fund was \$20,612. Assigned fund balance of the Capital Projects # 1 was \$117,125; and the Measure O Parcel Tax Special Revenue Fund was \$968,133.

Annual Report Overview

This discussion and analysis serves as an introduction to District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition, the financial section of this report contains required supplementary information.

Government-wide Financial Statements: The government-wide financial statements provide a broad overview of District's and the manner of presentation is similar to a private-sector business. The government-wide financial statements can be found on pages 12 - 14.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

Annual Report Overview - Cont'd

Statement of Net Position: The statement of net position presents the assets and liabilities of the District as of the end of the fiscal year and is prepared using the accrual basis of accounting, which is similar to the accounting basis used by most private-sector organizations. The statement of net position is a point of time financial statement whose purpose is to present to the readers a fiscal snapshot of the District. The statement of net position presents end-of-year data concerning assets (current and non-current), deferred outflows of resources, liabilities (current and non-current), deferred inflows of resources, and net position. From the data presented, readers of the statement of net position are able to determine the assets available to continue the operations of the District. Readers are also able to determine the amount owed by the District to vendors and employees. Finally, the statement of net position provides a picture of the net position and the availability of those assets for expenditure. The net between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources (net position) is one indicator of the current financial condition of the District, and the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values.

Statement of Activities: The statement of activities provides information about all the District's revenues and expenditures on the full accrual basis of accounting, with the emphasis on measuring net revenues or expenditures of each specific program. This statement explains in detail the change in Net Position for the year.

All of the District's activities in the government-wide financial statements are principally supported by taxes, intergovernmental revenues, fire impact fees, and inspection fees.

Fund Financial Statements: A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities. Like other state and local governments, District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the District uses to keep track of specific resources of funding and spending for a particular purpose.

The Governmental funds account for essentially the same functions as those reported in the government-wide financial statements as "governmental activities." However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information is useful in evaluating a government's near-term financing requirements. Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of near-term financial decisions. Reconciliations are provided to facilitate this comparison for the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances.

The District reports six governmental funds (General Fund, Capital Projects Fund, Debt Service Fund, Measure O Parcel tax and two Developer Impact Fees). Information for each governmental fund is presented separately in the fund financial statements, because District has elected to classify all governmental funds as major funds. District adopts an annual appropriated budget for each governmental fund. Budgetary comparison statements or schedules are provided for the governmental funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 15 - 20.

Notes to Financial Statements: The notes provide additional information that is essential to the reader for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 - 43 on this report.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

Annual Report Overview - Cont'd

Required Supplementary Information: In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's liabilities related to retirement and other postemployment benefit plans. Required supplementary information, while not a part of the basic financial statements, is considered to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information can be found on pages 44 - 52 on this report.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the Net Position and changes in Net Position of the District's Governmental Activities, as presented in the Government-Wide Statement of Net Position and Statement of Activities as follows:

Statement of Net Position: This analysis focuses on the net position and change in net position of the District's governmental activities. Over time, net position may serve as a useful indicator of a government's financial position. Following is a summary of District's net position as of June 30, 2023 and 2022:

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE - CONT'D

**Table 1
Net Position
Governmental Activities**

	<u>June 30, 2023</u>	<u>June 30, 2022, Restated</u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Assets:				
Current assets	\$ 8,247,385	\$ 7,243,618	\$ 1,003,767	13.9%
Other assets	-	-	-	-%
Capital assets, net	<u>3,342,487</u>	<u>3,533,672</u>	<u>(191,185)</u>	<u>(5.4)%</u>
Total assets	<u>11,589,872</u>	<u>10,777,290</u>	<u>812,582</u>	<u>7.5%</u>
Deferred Outflows of Resources				
Related to pension	16,641,430	(459,275)	17,100,705	(3,723.4)%
Related to OPEB	<u>277,916</u>	<u>89,464</u>	<u>188,452</u>	<u>210.6%</u>
Total deferred outflows of resources	<u>16,919,346</u>	<u>(369,811)</u>	<u>17,289,157</u>	<u>(4,675.1)%</u>
Liabilities:				
Current liabilities	1,232,987	701,430	531,557	75.8%
Noncurrent liabilities	<u>17,342,311</u>	<u>8,284,773</u>	<u>9,057,538</u>	<u>109.3%</u>
Total liabilities	<u>18,575,298</u>	<u>8,986,203</u>	<u>9,589,095</u>	<u>106.7%</u>
Deferred Inflows of Resources				
Related to pension	7,856,178	(775,885)	8,632,063	(1,112.5)%
Related to OPEB	<u>733,540</u>	<u>1,244,370</u>	<u>(510,830)</u>	<u>(41.1)%</u>
Total deferred inflows of resources	<u>8,589,718</u>	<u>468,485</u>	<u>8,121,233</u>	<u>1,733.5%</u>
Net Position:				
Net investment in capital assets	1,252,033	3,533,672	(2,281,639)	(64.6)%
Restricted for:				
Special projects and programs	205,645	248,647	(43,002)	(17.3)%
Debt service	-	-	-	-%
Unrestricted	<u>(113,476)</u>	<u>(2,829,528)</u>	<u>2,716,052</u>	<u>96.0%</u>
Total net position	<u>\$ 1,344,202</u>	<u>\$ 952,791</u>	<u>\$ 391,411</u>	<u>41.1%</u>

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE - CONT'D

Analysis of Net Position

As noted earlier, the change in net position over time serves as a useful indicator of a government's financial position. In the case of District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,344,202 at June 30, 2023.

\$1,252,033, or 93%, represents net investment in capital assets which include land, buildings, machinery, equipment, and infrastructure. The District uses these capital assets to provide needed services to its citizens; consequently, these assets are not available for future spending. Since the capital assets themselves cannot be used to liquidate the associated debt, the resources needed to repay the debt must be provided from other sources.

The final component of net position is unrestricted net position, \$(113,476). This deficit amount is the result of the District's unfunded pension obligations.

Statement of Activities: Changes in total net position, as presented on the statement of net position, are based on the activity presented in the statement of activities. The purpose of this statement is to present the expenses incurred, whether paid or not, by the District, and the revenues earned, whether received or not, by the District. Thus, this statement presents the District's results of operations.

The statement of activities is summarized below:

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE - CONT'D

Statement of Activities - Cont'd

**Table 2
Statement of Activities
Governmental Activities**

	<u>June 30, 2023</u>	<u>June 30, 2022, Restated</u>	<u>Increase (Decrease) Amount</u>	<u>Percent Change</u>
Expenses				
Public safety - Fire protection	\$ 8,792,903	\$ 1,992,234	\$ 6,800,669	341.4%
Interest on long-term debt	<u>128,373</u>	<u>71,594</u>	<u>56,779</u>	<u>79.3%</u>
Total expenses	<u>8,921,276</u>	<u>2,063,828</u>	<u>6,857,448</u>	<u>332.3%</u>
Revenues				
Program revenues:				
Operating grants and contributions	555,796	523,503	32,293	6.2%
Charges for services	230,068	130,595	99,473	76.2%
General revenues:				
Property taxes	4,517,392	4,237,397	279,995	6.6%
Special Tax/Fire (Benefit Assessment)	3,945,909	3,875,944	69,965	1.8%
Donation income	-	100,000	(100,000)	100.0%
Investment earnings	54,261	5,962	48,299	810.1%
Miscellaneous	<u>9,261</u>	<u>291,000</u>	<u>(281,739)</u>	<u>(96.8)%</u>
Total revenues	<u>9,312,687</u>	<u>9,164,401</u>	<u>148,286</u>	<u>1.6%</u>
Changes in net position	391,411	7,100,573	(6,709,162)	(94.5)%
Net position, beginning of year	<u>952,791</u>	<u>(6,147,782)</u>	<u>7,100,573</u>	<u>115.5%</u>
Net position, end of year	<u>\$ 1,344,202</u>	<u>\$ 952,791</u>	<u>\$ 391,411</u>	<u>(41.1)%</u>

Total governmental activities revenues increased by \$148,286 or 2%. Total governmental activities expenses increased from the prior year by \$6,857,448 or 332%. Key elements of the changes in governmental activities are as follows:

Expenses: The Public Safety - Fire Protection expenses totaled to \$8,792,903 for fiscal year ending June 30, 2023.

Program Revenues: During the fiscal year ended June 30, 2023, the District also received funding through the District's Measure "O" in amount of \$2,584,327. The proceeds of the special tax funding replacement measure imposed by this ordinance could be used solely for any lawful purpose permissible to Fire District's pursuant to California Health and Safety Code section 13800 et seq.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE - CONT'D

Statement of Activities - Cont'd

The program revenues that fall under the category of "Charges for Service" include revenues for inspection fees, weed abatement charges, and reports/photocopies.

General Revenues: The primary source of revenue for the operation of the Rodeo - Hercules Fire Protection District is generated through the collection of secured, unsecured, and supplemental property and parcel taxes. During the last fiscal year, the overall assessed valuation increased by 12.2%. This increase reflects the increase in assessed valuations in the City of Hercules and Town of Rodeo. A considerable portion of the District's potential revenues falls within the City of Hercules Redevelopment Area of which the District is entitled to receive a portion of the pass-through property tax revenues. However, due to the City of Hercules' financial crisis, the District did not receive its pass-through monies in fiscal years 2010-11 through 2022-23, as stated above.

Fund Financial Statements

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: Governmental activities are generally accounted for under the General Fund, Capital Projects Fund, Debt Service Fund, Measure O Parcel tax and two Developer Impact Fees funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances as spendable resources. Such information is useful in assessing the District's short-term financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year. At June 30, 2023, the District's governmental funds reported combined fund balances of \$7,227,742, which is an increase of \$672,194 compared with the prior year.

Major Analyses of General Fund & Measure O Parcel Tax Fund

General Fund: The General Fund is the general operating fund of the District. It is used to account for all financial resources. The major revenue sources are property taxes and benefit assessments. In this year property taxes revenue increased by \$281,062 from the previous year. Overall, the General Fund expenditures increased by 2.40% from last year.

Measure O Parcel Tax Special Revenue: The Measure O Parcel Tax Special Revenue fund increased by \$123,955. The major revenue sources are from benefit assessments. In this year benefit assessments revenue increased by \$70,463 from the previous year

CAPITAL ASSETS

The District's investment in capital assets for its governmental as of June 30, 2023, amounts to \$3,342,487 (net of accumulated depreciation). The investment in capital assets includes land and improvements, structures and improvements, and equipment.

Additional information about the District's capital assets can be found in Note 3 to the Basic Financial Statements.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2023**

**Table 3
Capital Assets at Year-End
Governmental Activities**

	June 30, 2023	June 30, 2022	Increase (Decrease) Amount	Percent Change
Land	\$ 7,437	\$ 7,437	\$ -	- %
Buildings and improvements	1,096,448	1,096,448	-	- %
Equipment	<u>7,986,857</u>	<u>7,938,765</u>	<u>48,092</u>	<u>0.6 %</u>
Total	9,090,742	9,042,650	48,092	0.5 %
Less: accumulated depreciation	<u>(5,748,255)</u>	<u>(5,508,978)</u>	<u>(239,277)</u>	<u>(4.3)%</u>
Capital assets, net	<u>\$ 3,342,487</u>	<u>\$ 3,533,672</u>	<u>\$ (191,185)</u>	<u>(5.4)%</u>

All the capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. All capital assets are depreciated over their estimated useful lives, using the straight line method. See Note 1 in the basic financial statement for more detailed analyses.

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

In past years, the District's assessed values have increased but the District expects this trend to level out in future years without any significant increase or decrease in assessed values. Financial planning is based on specific assumptions from recent trends in real property values, new commercial and residential development, State of California economic forecasts and historical growth patterns in the various tax rate areas in the Rodeo - Hercules Fire Protection District.

The economic condition of the Rodeo - Hercules Fire Protection District as it appears on the balance sheet reflects financial stability for future years as the District has made significant reductions in expenditures and has made efforts to increase its revenues. Measure O parcel tax allowed the District to keep both stations open upon the expiration of the FEMA Safer Grant and the 2014 benefit assessment.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These Basic Financial Statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to:

Administrative Offices of the Rodeo - Hercules Fire Protection District,
1680 Refugio Valley Road, Hercules,
CA 94547
(510) 799-4561.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
ASSETS	
Current assets:	
Cash and investments	\$ 8,093,319
Accounts receivable	64,057
Due from other governments	90,009
Total current assets	8,247,385
Noncurrent assets:	
Non-depreciable capital assets	7,437
Depreciable capital assets, net	3,335,050
Total noncurrent assets	3,342,487
Total assets	11,589,872
DEFERRED OUTFLOWS OF RESOURCES	
Related to pension	16,641,430
Related to other post-employment benefit plan	277,916
Total deferred outflows of resources	16,919,346
Total assets and deferred outflows of resources	28,509,218
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	
LIABILITIES	
Current liabilities:	
Accounts payable	744,962
FLSA liability	274,681
Compensated absences, due within one year	81,151
Long-term debt, due within one year	132,193
Total current liabilities	1,232,987
Noncurrent liabilities:	
Compensated absences, due in more than one year	183,668
Long-term debt, due in more than one year	1,958,261
Net OPEB liability	2,534,758
Net pension liability	12,665,624
Total noncurrent liabilities	17,342,311
Total liabilities	18,575,298

The accompanying notes are an integral part of these financial statements.

RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental Activities</u>
DEFERRED INFLOWS OF RESOURCES	
Related to pension	7,856,178
Related to OPEB	<u>733,540</u>
Total deferred inflows of resources	<u>8,589,718</u>
Total liabilities and deferred inflows of resources	<u>27,165,016</u>
NET POSITION	
Net investment in capital assets	1,252,033
Restricted for:	
Special projects and programs	205,645
Unrestricted	<u>(113,476)</u>
Total net position	<u>1,344,202</u>
Total liabilities, deferred inflows of resources, and net position	<u><u>\$ 28,509,218</u></u>

**RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities:				
Public safety - Fire protection	\$ 8,792,903	\$ 230,068	\$ 555,796	\$ (8,007,039)
Interest on long-term debt	<u>128,373</u>	<u>-</u>	<u>-</u>	<u>(128,373)</u>
Total governmental activities	<u>\$ 8,921,276</u>	<u>\$ 230,068</u>	<u>\$ 555,796</u>	<u>(8,135,412)</u>
General Revenues:				
Property tax				4,490,699
Special tax/fire (Benefit assessment)				3,945,909
Home owner property tax relief				26,693
Use of money and property				54,261
Miscellaneous income				<u>9,261</u>
Total general revenues				<u>8,526,823</u>
Changes in net position				391,411
Net position - beginning of year				1,040,964
<i>Restatement</i>				<u>(88,173)</u>
Net Position - beginning of year, <i>restated</i>				<u>952,791</u>
Net position - end of year				<u>\$ 1,344,202</u>

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

**RODEO - HERCULES FIRE PROTECTION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>General</u>	<u>Hercules Fire Impact Fee Special Revenue</u>	<u>Rodeo Fire Impact Fee Special Revenue</u>	<u>Measure O Parcel Tax Special Revenue</u>
ASSETS				
Cash and investments	\$ 6,662,008	\$ 185,033	\$ 20,612	\$ 1,108,541
Accounts receivable	64,057	-	-	-
Due from other governments	90,009	-	-	-
Due from other funds	<u>140,408</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>6,956,482</u>	<u>185,033</u>	<u>20,612</u>	<u>1,108,541</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	744,962	-	-	-
FLSA liability	274,681	-	-	-
Due to funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,408</u>
Total liabilities	<u>1,019,643</u>	<u>-</u>	<u>-</u>	<u>140,408</u>
FUND BALANCES				
Restricted	-	185,033	20,612	-
Assigned	-	-	-	968,133
Unassigned	<u>5,936,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>5,936,839</u>	<u>185,033</u>	<u>20,612</u>	<u>968,133</u>
Total liabilities and fund balances	<u>\$ 6,956,482</u>	<u>\$ 185,033</u>	<u>\$ 20,612</u>	<u>\$ 1,108,541</u>

The accompanying notes are an integral part of these financial statements.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Capital Projects #1</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments	\$ 117,125	\$ -	\$ 8,093,319
Accounts receivable	-	-	64,057
Due from other governments	-	-	90,009
Due from other funds	<u>-</u>	<u>-</u>	<u>140,408</u>
Total assets	<u>117,125</u>	<u>-</u>	<u>8,387,793</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	-	-	744,962
FLSA liability	-	-	274,681
Due to funds	<u>-</u>	<u>-</u>	<u>140,408</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>1,160,051</u>
FUND BALANCES			
Restricted	-	-	205,645
Assigned	117,125	-	1,085,258
Unassigned	<u>-</u>	<u>-</u>	<u>5,936,839</u>
Total fund balances	<u>117,125</u>	<u>-</u>	<u>7,227,742</u>
Total liabilities and fund balances	<u>\$ 117,125</u>	<u>\$ -</u>	<u>\$ 8,387,793</u>

The accompanying notes are an integral part of these financial statements.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Fund balances of governmental funds	\$ 7,227,742
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	3,342,487
Liabilities are not due and payable with current financial resources and therefore are not reported in the governmental funds.	
Compensated absences payable	(264,819)
Net OPEB liability and deferred inflows and outflows of resources	(2,990,382)
Net pension liability and deferred inflows and outflows of resources	(3,880,372)
Long-term debt	<u>(2,090,454)</u>
Total net position - governmental activities	<u><u>\$ 1,344,202</u></u>

The accompanying notes are an integral part of these financial statements.

RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>General</u>	<u>Hercules Fire Impact Fee Special Revenue</u>	<u>Rodeo Fire Impact Fee Special Revenue</u>	<u>Measure O Parcel Tax Special Revenue</u>
REVENUES				
Property taxes	\$ 4,490,699	\$ -	\$ -	\$ -
Home owner property tax relief	26,693	-	-	-
Intergovernmental revenue	555,796	-	-	-
Program income	230,068	-	-	-
Special tax/fire (Benefit assessment)	1,361,582	-	-	2,584,327
Use of money and property	52,483	-	-	-
Miscellaneous income	<u>4,171</u>	<u>-</u>	<u>5,090</u>	<u>-</u>
Total revenues	<u>6,721,492</u>	<u>-</u>	<u>5,090</u>	<u>2,584,327</u>
EXPENDITURES				
Current:				
Public safety - Fire protection	5,875,552	-	-	2,460,372
Capital outlay	-	48,092	-	-
Debt service:				
Principal	128,094	-	-	-
Interest	<u>128,373</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>6,132,019</u>	<u>48,092</u>	<u>-</u>	<u>2,460,372</u>
Net change in fund balances	<u>589,473</u>	<u>(48,092)</u>	<u>5,090</u>	<u>123,955</u>
Fund balances - beginning of year	5,347,366	233,125	15,522	844,178
<i>Restatement</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning of year, <i>restated</i>	<u>5,347,366</u>	<u>233,125</u>	<u>15,522</u>	<u>844,178</u>
Fund balances - end of year	<u>\$ 5,936,839</u>	<u>\$ 185,033</u>	<u>\$ 20,612</u>	<u>\$ 968,133</u>

The accompanying notes are an integral part of these financial statements.

RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Capital Projects #1</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
REVENUES			
Property taxes	\$ -	\$ -	\$ 4,490,699
Home owner property tax relief	-	-	26,693
Intergovernmental revenue	-	-	555,796
Program income	-	-	230,068
Special tax/fire (Benefit assessment)	-	-	3,945,909
Use of money and property	1,778	-	54,261
Miscellaneous income	<u>-</u>	<u>-</u>	<u>9,261</u>
Total revenues	<u>1,778</u>	<u>-</u>	<u>9,312,687</u>
EXPENDITURES			
Current:			
Public safety - Fire protection	10	-	8,335,934
Capital outlay	-	-	48,092
Debt service:			
Principal	-	-	128,094
Interest	<u>-</u>	<u>-</u>	<u>128,373</u>
Total expenditures	<u>10</u>	<u>-</u>	<u>8,640,493</u>
Net change in fund balances	<u>1,768</u>	<u>-</u>	<u>672,194</u>
Fund balances - beginning of year	115,357	88,173	6,643,721
<i>Restatement</i>	<u>-</u>	<u>(88,173)</u>	<u>(88,173)</u>
Fund balances - beginning of year, <i>restated</i>	<u>115,357</u>	<u>-</u>	<u>6,555,548</u>
Fund balances - end of year	<u>\$ 117,125</u>	<u>\$ -</u>	<u>\$ 7,227,742</u>

The accompanying notes are an integral part of these financial statements.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net changes in fund balances - total governmental funds \$ 672,194

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	48,092
Depreciation	(239,277)

Some expenses and changes in deferred outflows and inflows of resources reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(30,596)
OPEB income	236,890
Pension expenses	(423,986)
Repayment of principal	<u>128,094</u>

Change in net position - governmental activities	<u><u>\$ 391,411</u></u>
--	--------------------------

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Rodeo - Hercules Fire Protection District is an autonomous district governed by a five (5) member Board of Directors elected at large by the voters of the District. The District covers an area of approximately 32 square miles including the City of Hercules with a population of about 25,500 and the Town of Rodeo with a population of about 8,500 in the unincorporated area of Contra Costa County.

The financial statements of the District consist only of the funds of the District. The District has no oversight responsibility for any other government entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of the respective governing board. The governing board has decision making authority, the power to designate management, and the ability to significantly influence operations and primary accountability for fiscal matters.

The District maintains its headquarters at 1680 Refugio Valley Road, Hercules, California 94547.

B. Basis of Presentation

The District's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These standards require that the financial statements described below be presented.

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the District). These statements include the financial activities of the overall District government. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. District expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) capital grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

C. Major Funds

Major funds are defined as funds that have either assets, liabilities, revenues, or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

The District has elected to report all of its funds as major governmental funds in the accompanying financial statements:

General Fund - is the general operating fund of the Rodeo-Hercules Fire Protection District. It is used to account for all financial resources. The major revenue sources are property taxes and benefit assessments. Expenditures are made for public safety and other operating expenditures.

Hercules Fire Impact Fee Special Revenue Fund - is used to receive fees collected from the City of Hercules.

Rodeo Fire Impact Fee Special Revenue Fund - is used to receive fees collected from the Town of Rodeo.

Measure O Parcel Tax Revenue Fund - is used to receive and to account for the proceeds of Measure "O" special tax funding.

Capital Projects #1 Fund - is used to account for the District's Rodeo - Hercules Fire Protection District capital budget.

Debt Service Fund - is used to account for the proceeds from a line of credit and payments made to vendors related to authorized capital projects.

D. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. The District may fund programs with a combination of cost-reimbursement grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

E. Budgets and Budgetary Accounting

The Board of Directors follow the following procedures establishing the budgetary data reflected on the financial statement:

- (1) Proposed budget is received by Chief of the District and Board Members.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) Formal budgetary integration is employed as a management control device during the year for the General Fund.
- (4) There is no formal budget of revenue as the revenue amount to be received is the previous year's fund balance, plus property tax revenues to be received, less the expense budget.
- (5) The budgets for the General Fund and the Capital Projects #1 Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- (6) The Board of Directors requires the adoption of a summary budget for the General Fund.
- (7) Appropriations lapse at the end of each fiscal year.

F. Property Taxes and Special Assessment Revenue

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Contra Costa levies, bills and collects property taxes and special assessment for the District; the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 01 of the preceding fiscal year.

Secured property tax is due in two installments, on November 01 and February 01, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 01 and becomes delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the personal property being taxed.

Property tax revenue is recognized in the fiscal year for which the tax is levied. The County distributes property tax (termed "settlements") under the Teeter Plan, which allows the District to receive all property taxes in the year in which they are levied. The County retains any collections of interest, penalties and delinquencies under this plan. A settlement apportionment for 87% of unsecured property taxes is received in September, with the remainder distributed in May. Secured property taxes are received majorly in December.

G. Compensated Absences

Compensated absences comprise unpaid vacation leave and compensated time off. The District's liability for compensated absences is recorded in the Statement of Net Position. The liability for compensated absences is determined annually and is primarily liquidated in the General Fund. District employees may accrue up to 72 hours of unpaid overtime and may sell up to 24 hours of unpaid overtime and up to 48 hours of vacation time to the District. The following is a summary of changes in compensated absences for the fiscal year ended June 30, 2023:

<u>Balance July 01, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>	<u>Amounts Due Within One Year</u>
\$ 234,223	\$ 229,361	\$ (198,765)	\$ 264,819	\$ 81,151

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

H. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets with a minimum value of \$5,000 and a useful life of at least one year can be recorded as capital assets.

Capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

<u>Description</u>	<u>Years</u>	<u>Description</u>	<u>Years</u>
Grounds Improvement	20	Communication Equipment	10
Buildings	50	Computer Hardware	5
Machinery & Tools	15	Audio Visual Equipment	10
Custodial Equipment	15	Athletic Equipment	10
Furniture & Accessories	20	Fire Trucks	15
Business Machines	10	Vehicles	15
Copiers	5		

I. Leases

Lessee: At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

I. Leases - Cont'd

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

J. Lease Liabilities

On July 1, 2021, the District adopted GASB 87 - Leases and adopted the changes to conform to the provisions of GASB 87 Implementation Guide. Lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The lease liability is measured at the present value of the remaining lease payments, using a discount rate based on the rate implicit in the lease, if readily determinable. Otherwise, the District uses its incremental borrowing rate at commencement date to determine the present value of future payments.

The District examined the guidance for the current year and concluded that the adoption of GASB 87 - leases, had no impact on the financial statements.

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's Contra Costa County Employees' Retirement Association (CCCERA) plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

L. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheets reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has deferred outflows of resources of \$16,641,430 related to Pension and \$277,916 related to OPEB.

In addition to liabilities, the statement of net position and balance sheets reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as inflow of resources (revenue) until that time. The District has deferred inflows of resources of \$7,856,178 related to Pension and \$733,540 related to OPEB.

N. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles (GAAP) in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

O. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over the counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

O. Fair Value Measurements - Cont'd

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

P. Accounting Pronouncements

Current Accounting Pronouncements - The following Governmental Accounting Standards Board (GASB) Statements have been implemented in the current financial statements:

GASB Statement No. 91: Conduit Debt Obligations - The provisions of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 94: Public - Private and Public Public Partnerships and Availability Payments Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96: Subscription-Based Information Technology Arrangements - The provisions of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 99: Omnibus 2022 - The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022.

The District had no reportable impacts for the fiscal year 2022-23.

Future Accounting Pronouncements - GASB Statements listed below will be implemented in future financial statements:

GASB Statement No. 99: Omnibus 2022 - The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 100: Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62 - The provisions of this Statement are effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101: Compensated Absences - The provisions of this Statement are effective for fiscal years beginning after December 15, 2023.

The District's is currently evaluating these new standards to determine what impact they will have on the District.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - CASH AND INVESTMENTS

A. Policies

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District's cash on deposit or first trust deed mortgage notes with a value of 150% of the District's cash on deposit as collateral for these deposits. Under California law, this collateral is held in a separate investment pool by another institution in the District's name and places the District ahead of general creditors of the institution. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

B. Classification

The District's investments are carried at fair value as required by generally accepted accounting principles. The District adjusts the carrying value of its investments to reflect their fair value monthly, and it includes the effects of these adjustments in income for that fiscal year.

Cash and investments were as follows at June 30, 2023:

Cash deposits with the County	\$ 5,896,197
Wells Fargo Bank	504
Petty cash	400
LAIF	<u>2,196,218</u>
Total cash and investments	<u><u>\$ 8,093,319</u></u>

C. Investment in County Treasury

The District is considered to be a voluntary participant in an external investment pool. The fair value of the District's investment in the pool is reported in the financial statements in cash and cash equivalents at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to amortized cost of that portfolio).

The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

D. Local Agency Investment Fund (LAIF)

As of June 30, 2023, the District had \$2,196,218 invested in LAIF. The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The District's investments with LAIF at June 30, 2023, include a portion of the pool funds invested in structured notes and asset-backed securities.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 2 - CASH AND INVESTMENTS - CONT'D**E. Fair Value Hierarchy**

GASB Statement No. 72, fair Value Measurement and Application, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). However, the investments in an external investment pool are not subject to reporting within the level hierarchy.

The California Local Agency Investment Fund is valued using the fair value factor provided by the Treasurer of the State of California, which is calculated as the fair value divided by the amortized cost of the investment pool. Fair value is defined as the quoted market value on the last trading day of the period.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>July 01, 2022</u>	<u>Additions</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:			
Capital assets not being depreciated:			
Land	\$ 7,437	\$ -	\$ 7,437
Total capital assets not being depreciated	<u>7,437</u>	<u>-</u>	<u>7,437</u>
Capital assets being depreciated:			
Structures and improvements	1,096,448	-	1,096,448
Equipment and vehicles	<u>7,938,765</u>	<u>48,092</u>	<u>7,986,857</u>
Total capital assets being depreciated	<u>9,035,213</u>	<u>48,092</u>	<u>9,083,305</u>
Less accumulated depreciation:			
Structures and improvements	(543,476)	(21,929)	(565,405)
Equipment and vehicles	<u>(4,965,502)</u>	<u>(217,348)</u>	<u>(5,182,850)</u>
Total accumulated depreciation	<u>(5,508,978)</u>	<u>(239,277)</u>	<u>(5,748,255)</u>
Total capital assets being depreciated, net	<u>3,526,235</u>	<u>(191,185)</u>	<u>3,335,050</u>
Total capital assets, net	<u>\$ 3,533,672</u>	<u>\$ (191,185)</u>	<u>\$ 3,342,487</u>

Depreciation expense for the year ended June 30, 2023, was \$239,277.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 - NET POSITION

Net Position is on the full accrual basis while Fund Balances are measured on the modified accrual basis.

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- **Net investment in capital assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted net position** - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

Net Position Flow Assumption

When a government funds outlays for a particular purpose from both restricted and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted net position is available, it is considered that restricted resources are used first, followed by the unrestricted resources.

NOTE 5 - FUND BALANCES

The District's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the District to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Nonspendable, Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaid, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the Board of Directors which may be altered only by formal action of the Board of Directors. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 5 - FUND BALANCES - CONT'D

Assigned fund balances are amounts constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board of Directors or its designee and may be changed at the discretion of the Board of Directors or its designee. This category includes encumbrances; Nonspendables, when it is the District's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects, and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

NOTE 6 - PENSION PLAN

Plan Descriptions - The District participates in the Contra Costa County Employees' Retirement Association (CCCERA), a cost-sharing multiple employer defined benefit pension plan. CCCERA is governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et seq.), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures, and policies adopted by CCCERA's Board of Retirement. CCCERA is a cost-sharing multiple employer public employee retirement association whose main function is to provide service retirement, disability, death, and survivor benefits to the General and Safety members employed by the County of Contra Costa. CCCERA also provides retirement benefits to the employee members for 16 other participating agencies which are members of CCCERA.

The management of CCCERA is vested with the CCCERA Board of Retirement. The Board consists of twelve trustees of the twelve members, three are alternates four trustees are appointed by the County Board of Supervisors; four trustees (including the Safety alternate) are elected by CCCERA's active members; two trustees (including one alternate) are elected by the retired membership. Board members serve three-year terms, with the exception of the County Treasurer who is elected by the general public and serves during his tenure in office.

Benefits Provided - Benefits are based on years of credited service, equal to one year of full time employment. Members may elect service retirement at age of 50 with 10 years of service credit, age 70 regardless of service, or with thirty years of service, regardless of age.

Benefits are administered by the Board under the provision of the 1937 Act. Annual cost-of living adjustments (COLA) to retirement benefits may be granted by the Board as provided by State statutes. Services retirements are based on age, length of service, and final average salary. Employees may withdraw contributions, plus interest credited, or leave them on deposit for a deferred retirement when they terminate or transfer to a reciprocal retirement system.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - PENSION PLAN - CONT'D

The plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to January 01, 2013</u>	<u>On or after January 01, 2013</u>
Hire Date		
Benefit formula	2% @ 55	2.5% @ 67
Benefit vesting schedule	10 year's service	5 year's service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	52
Monthly benefits, as a% of eligible compensation	0% to 100%	0% to 100%
Required employee contribution rates	14.39%	15.86%
Required employer contribution rates	29.79%	48.75%

	<u>Safety</u>	
	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire Date		
Benefit formula	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 year's service	5 year's service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	50
Monthly benefits, as a% of eligible compensation	0% to 100%	0% to 100%
Required employee contribution rates	21.50%	19.90%
Required employer contribution rates	17.68%	33.62%

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 01 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2023, the contributions recognized as part of pension expense for miscellaneous and safety plan were as follows:

	<u>Amount</u>
Contributions - employer	\$ 1,342,381

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - PENSION PLAN - CONT'D

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the net pension liability of each plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 148,934
Safety	12,516,690
Total net pension liability	\$ 12,665,624

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the plans is measured as of December 31, 2022, and the total pension liability for each plan used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for each plan was as follows:

Reporting Date for Employer under GASB 68 as of June 30	Proportion of the Net Pension Liability	Proportionate share of Net Pension Liability	Covered payroll	Proportionate share of the Net Pension Liability as a percentage of covered payroll	Plan Fiduciary Net Pension as a percentage of the Total Pension Liability
2014	1.129%	\$ 16,612,346	\$ 1,766,704	940.30%	59.86%
2015	1.129%	13,499,212	2,069,510	652.29%	65.89%
2016	1.012%	15,252,152	2,342,844	651.01%	63.59%
2017	1.049%	14,693,106	2,241,786	655.42%	66.55%
2018	1.441%	11,693,174	2,194,605	532.81%	74.20%
2019	0.820%	11,716,980	2,346,256	499.39%	74.46%
2020	1.044%	9,024,195	2,358,500	382.62%	81.03%
2021	1.429%	6,595,503	2,499,171	263.91%	86.60%
2022	(1.553)%	3,772,966	2,686,925	140.42%	92.85%
2023	0.746%	\$ 12,665,624	\$ 2,443,181	518.41%	77.42%

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - CONT'D

For the year ended June 30, 2023, the District recognized a pension expense/ (income) of \$423,986. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,342,381	\$ -
Differences between actual and expected experience in the total pension liability	713,276	24,809
Changes of assumptions or other inputs	927,097	43,582
Change in proportion and differences between the employer's contributions and proportionate share of contributions	6,150,129	7,787,787
Net differences between actual and projected earnings on pension plan investments	<u>7,508,547</u>	<u>-</u>
Total	<u>\$ 16,641,430</u>	<u>\$ 7,856,178</u>

\$1,342,381 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2024	\$ 199,233
2025	846,005
2026	2,524,959
2027	<u>3,872,674</u>
Total	<u>\$ 7,442,871</u>

Actuarial Assumptions - The total pension liabilities as of December 31, 2022 that was measured by an actuarial valuation as of December 31, 2021, was re-valued as of December 31, 2021 (before roll forward) using the following actuarial assumptions that the Board has approved for use in the pension funding valuation as of December 31, 2022. This revalued total pension liability was then rolled forward to December 31, 2022 to determine the final total pension liability as of December 31, 2022. The updated actuarial assumptions were based on the results of an experience study for the period from January 01, 2018 through December 31, 2020, and were applied to all periods included in the measurement.

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 - PENSION PLAN - CONT'D

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	December 31, 2021	December 31, 2021
Measurement Date	December 31, 2022	December 31, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	6.75%	6.75%
Inflation Rate	2.50%	2.50%
Administrative Expenses	1.13% of payroll (1)	1.13% of payroll (1)
Real Across the Board Salary Increase	0.50%	0.50%
Projected Salary Increase	3.50% - 14.00% (2)	4.00% -15.00% (2)
Investment Rate of Return	6.75% (3)	6.75% (3)
Mortality	RP-2014 Combined Healthy Mortality Table	

- 1) Payroll allocated to both the employer and member based on the components of the Normal Cost rates for the employer and member.
- 2) It includes inflation at 2.50% plus real across-the-board salary increases of 0.50% plus merit and promotion increases that vary by service.
- 3) Net of pension plan investment expenses, including inflation.

Discount Rate - The discount rate used to measure the total pension liability was 6.75% as of December 31, 2022 and December 31, 2021. The projection of cash flows used to determine the discount rate assumed employer and employee contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer and employee contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2022 and December 31, 2021.

Long-Term Expected rate of Return by Asset Class - The long-term expected rate of return on pension plan investments was determined in 2022 using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses are shown in the following table. This information was used in the derivation of the long-term expected investment rate of return assumption for the December 31, 2022, actuarial valuations. This information will be subject to change every three years based on the results of an actuarial experience study.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - PENSION PLAN - CONT'D

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. Equity	10 %	5.40 %
Small Cap Equity	3 %	6.17 %
Developed International Equity	10 %	6.13 %
Emerging Markets Equity	9 %	8.17 %
Core Fixed	4 %	0.39 %
Short-Term Credit	14 %	(0.14)%
Cash and Equivalents	3 %	(0.73)%
Private Equity	15 %	10.83 %
Private Credit	13 %	5.93 %
Infrastructure	3 %	6.30 %
Value Add Real Estate	5 %	7.20 %
Opportunistic Real Estate	5 %	8.50 %
Risk Parity	3 %	3.80 %
Hedge Funds	3 %	2.40 %
Total	<u>100 %</u>	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability for each Plan, as of December 31, 2022, calculated using the discount rate of 6.75% for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	5.75 %	5.75 %
Net Pension Liability	\$ 237,297	\$ 19,942,909
Current Discount Rate	6.75 %	6.75 %
Net Pension Liability	\$ 148,934	\$ 12,516,690
1% Increase	7.75 %	7.75 %
Net Pension Liability	\$ 76,535	\$ 6,432,157

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - EMPLOYEE BENEFIT PLANS

A. Deferred Compensation Plan

District employees may defer a portion of their compensation under a District sponsored Deferred Compensation Plans created in accordance with Internal Revenue Code Section 457. Under these plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, and death or in an emergency as defined by the Plans.

The laws governing deferred compensation plan assets require plan assets to be held in a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

B. Other Post-Employment Benefits (OPEB)

At June 30, 2023, net OPEB liability and related deferred outflows/inflows of resources are as follows:

Deferred outflows of resources	\$	277,916
Net OPEB liability	\$	2,534,758
Deferred inflows of resources	\$	733,540

• **Plan Description**

The District provides 50% of postretirement health care benefits to full time employees who retire directly from the District after attaining the age of 50 with 10 years of service, with an increase of 5% for every year of service exceeding 10 years of service. After 20 years of service the District provides 100% of postretirement health care benefits.

The District is a participant of the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by CalPERS, consisting of an aggregation of single employer plans. This trust is not considered a component unit of the District and has been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

• **Eligibility**

In order to qualify for postemployment medical benefits, an employee must retire from the District and maintain enrollment in one of District's eligible health plans. The District pays 100% of the medical premium for the retiree, spouse and dependents. At age 65, the District pays the Senior Advantage (Medicare eligible) or Medicare (Non-Medicare eligible) costs, and for those retirees out of the Kaiser area, the District pays up to what it would have paid capped at the actual premium.

• **Description of Retiree Benefits**

	Safety	Miscellaneous
Benefit types provided	Medical only	Medical only
Duration of Benefits	Lifetime	Lifetime
Required Service	Retirement	Retirement
Minimum Age	Retirement	Retirement
Dependent Coverage	All eligible	All eligible
District Contribution %	100%	100%
District Cap	Kaiser Bay Area Basic Rate	Kaiser Bay Area Basic Rate

RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 - EMPLOYEE BENEFIT PLANS - CONT'D

B. Other Post-Employment Benefits (OPEB) - Cont'd

Membership of the District as of the valuation date consisted of the following:

Table with 2 columns: Description and Count. Rows include Inactive Employees Receiving Benefit Payments (24), Participating Active Employees (21), and Total Number of Participants (45).

Funding Policy and Actuarial Assumptions

The District's policy, according to Ordinance No. 2-08, is to fund the Annual Required Contribution (ARC) of these benefits by accumulating assets with CERBT discussed above pursuant to the District's annual budget approved by Board.

Additional Information

The District's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

Actuarial Assumptions

The total OPEB liability as of June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Table with 2 columns: Assumption and Value. Rows include Actuarial method (Entry age actuarial cost method), Discount rate (6.75%), Inflation (2.50% per year used for pension purposes), Payroll increase (2.75% per year), Investment rate of return (6.75% per year, net of expenses), Mortality rates (2017 CalPERS Mortality for Miscellaneous Employees, Retired Safety Employees, Active Safety Employees), and Healthcare cost trend rate (4.00% per year for medical benefits).

Discount Rate

The discount rate used to measure the total OPEB Liability was 6.75%. Based on historic 32 year real rates of return for each asset class along with assumed long-term inflation assumption was used to set the discount rate.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - EMPLOYEE BENEFIT PLANS - CONT'D

B. Other Post-Employment Benefits (OPEB) - Cont'd

The assumed asset allocation and assumed rate of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Percentage of Portfolio</u>	<u>Assumed Gross Return</u>
All Equities	59 %	7.545 %
All Fixed Income	25 %	4.250 %
Real Estate Investment Trusts	8 %	7.250 %
All Commodities	3 %	7.545 %
Treasury Inflation Protected Securities	5 %	3.000 %

• **Change in the Net OPEB Liability**

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u> (a)	<u>Plan Fiduciary Net Position</u> (b)	<u>Net OPEB Liability</u> (c) = (a) - (b)
Balance at June 30, 2021 measurement date	\$ 5,079,767	\$ 3,007,401	\$ 2,072,366
Changes recognized for year:			
Service cost	106,585	-	106,585
Interest on Total OPEB liability/ return on FNP	335,632	(414,585)	750,217
Employer contributions	-	395,182	(395,182)
Administrative expense	-	(772)	772
Benefit payments	(321,473)	(321,473)	-
Net changes	120,744	(341,648)	462,392
Balance at June 30, 2022 measurement date	\$ 5,200,511	\$ 2,665,753	\$ 2,534,758

• **Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

<u>Plan's Net OPEB Liability</u>		
<u>Discount Rate - 1%</u> (5.75%)	<u>Current Discount Rate</u> (6.75%)	<u>Discount Rate +1%</u> (7.75%)
\$ 3,118,285	\$ 2,534,758	\$ 2,045,191

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - EMPLOYEE BENEFIT PLANS - CONT'D

B. Other Post-Employment Benefits (OPEB) - Cont'd

• **Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB Liability of the District, as well as what the District's net OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates:

Plan's Net OPEB Liability		
Trend Rate - 1% (3.00%)	Current Trend Rate (4.00%)	Trend Rate +1% (5.00%)
\$ 1,932,882	\$ 2,534,758	\$ 3,268,356

• **OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$236,890. At June 30, 2023, the District reported deferred inflows of resources of \$733,540 and deferred outflows of resources of \$277,916 from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience in the total OPEB liability	\$ 26,478	\$ (703,313)
Difference between projected and actual earnings on OPEB plan investments	251,438	-
Changes in assumptions	-	(30,227)
Total	\$ 277,916	\$ (733,540)

Amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year Ended June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2024	\$ 62,645	\$ (138,405)
2025	59,489	(138,405)
2026	31,776	(138,405)
2027	124,006	(138,405)
2028	-	(138,405)
Thereafter	-	(41,515)
	\$ 277,916	\$ (733,540)

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 - RISK MANAGEMENT

The Contra Costa County Fire District Insurance Pool arranges for and provides public liability, property damage, and self-insurance between the county, its special districts and independent county fire protection districts. A summary of the District's insurance is as follows:

<u>Coverage</u>	<u>Insurance Company/ Risk Pool</u>	<u>Limit of Liability</u>	<u>Deductible/ Self Insured Retention</u>
Workers' compensation	FASIS	\$5,000,000	\$ 0
Excess worker compensation	FASIS	5,000,000	500,000
		550,000,000 (flood)	100,000 (flood)
All risk property	CSAC	600,000,000 (property)	500 disappearing (aop) 2% per "unit"
Earthquake	CSAC	715,000,000	\$100,000 minimum
Boiler & Machinery	CSAC	100,000,000	5,000
Sabotage & Terrorism	CSAC	200,000,000	500,000
General & Automobile liability	CSAC	50,000,000	None
Pollution liability	CSAC	10,000,000	500,000
Crime - Forgery or alteration	Fidelity	250,000	2,500
Crime - all other	Fidelity	5,000,000	2,500

California State Associations of Counties (CSAC) is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of CSAC, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The Fire Agencies Self Insurance System (FASIS) arranges for and provides worker's compensation insurance for independent fire protection districts.

The District did not have any claim settlements that exceed the insurance coverage in the last three years.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

The District is named as a real party in interest in the Contra Costa County Deputy Sheriffs Association v. Contra Costa County Employees' Retirement Association, et al., Contra Costa County Superior Court, Case No. N12-1870. As one of several employers of employees who are members of the Contra Costa County Employees' Retirement Association (CCCERA), the District's interests are aligned with the other public entity defendants who have employee members in the case, such that the District is waiting for a decision as to how, when and where to pay (or not) retiree benefits. The California Attorney General on behalf of the State has intervened in the case and is defending the constitutionality of the Public Employee Pension Reform Act (PEPRA), which amongst other legislation curtailed the ability of employees to spike their pensions through accumulation of sick and leave time, which the District must by law pay anyway. Because of the State's intervention, the District is not taking an active role in the defense of the case because the issues hinge primarily on the constitutionality of the Act, preferring instead to monitor the litigation as the constitutionality of the Act comes into issue before determining what effects, if any, a decision or order will have on its affected CCCERA member employees. The case is currently up on an appeal brought by the petitioners.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - COMMITMENTS AND CONTINGENCIES - CONT'D

The District is not joining in, nor will it file its own response to the appeal. The District continues to take a wait and see approach to see how the case is decided at the appellate level, especially since, as a real party in interest, it will be bound similarly to most of the other real parties in interest who have employees that are members of CCCERA. At this point, the likelihood of an unfavorable outcome is uncertain, and the amount that is at risk of loss is uncertain.

- **Contingencies and Settlement**

International Association of Fire Fighters ("IAFF") Local 1230 alleged that the District may have failed to properly calculate employees' overtime compensation, potentially under compensating them due to the omission of paramedic premium pay and holiday-in-lieu pay in the overtime rate calculation. This raised concerns regarding Fair Labor Standards Act (FLSA) compliance.

After thorough analysis, the District recognized a potential liability of approximately \$185,000 for backpay, liquidated damages, and attorneys' fees associated with the alleged FLSA violations. Accordingly, a provision was recorded in the financial statements for the fiscal year 2022.

Subsequently, on July 30, 2023, the District, IAFF Local 1230, and affected employees reached a Settlement Agreement and General Release of Claims. The agreement resolves any FLSA or labor contract claim related to the alleged miscalculation of overtime compensation. The District agreed to pay a total settlement of \$274,681, covering back payments to affected employees and attorneys' fees. This settlement amount has been recorded as a current liability in the financial statements for the fiscal year ended June 30, 2023.

This settlement marks the resolution of the dispute, ensuring fair compensation for affected employees and mitigating potential legal risks for the District.

NOTE 10 - LONG-TERM DEBT

On July 06, 2020, the District entered into an installment sale agreement with West America Bank as assignee of Municipal Finance Corporation. On September 03, 2020, West America Bank provided financing in the initial amount of \$2,220,588 to pay for the cost of the Fire Truck. On July 15, 2021, West America Bank provided supplemental financing of \$125,454. The annual payments (principal and interest) are \$199,087 with interest accruing at 3.20%. The repayment begins on September 03, 2021 and matures on September 03, 2035.

The District's debt issuances and transactions are summarized below:

Balance July 01, 2022	Additions/ Adjustments	Retirements/ Adjustments	Balance June 30, 2023	Due Within One Year
\$ 2,218,548	\$ -	\$ (128,094)	\$ 2,090,454	\$ 132,193

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 - LONG-TERM DEBT - CONT'D

The District's debt service requirements are presented below:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	132,193	66,894	199,087
2025	136,423	62,664	199,087
2026	140,788	58,299	199,087
2027	145,293	53,794	199,087
2028	149,943	49,144	199,087
2029-2033	824,833	170,603	995,436
2034-2036	<u>560,981</u>	<u>36,280</u>	<u>597,261</u>
	<u>\$ 2,090,454</u>	<u>\$ 497,678</u>	<u>\$ 2,588,132</u>

NOTE 11 - RESTATEMENT OF NET POSITION

During the fiscal year ended June 30, 2023, the District determined that changes to the beginning of year Debt Service fund balance were necessary due to incorrect restricted cash in the prior year. As a result, prior year financial statements have been restated to show the effects of the change,

Consequently, the accompanying financial statements have been restated to reflect these corrections as summarized below.

Deb Service Fund and Government-Wide:

	<u>Governmental Activities</u>
Net position - Beginning, as previously reported	\$ 1,040,964
Restatement - Decrease in restricted cash	<u>(88,173)</u>
Net position - Beginning, as <i>restated</i>	<u>\$ 952,791</u>
	<u>Debt Service Fund</u>
Fund Balance - Beginning, as previously reported	\$ 88,173
Restatement - Decrease in restricted cash	<u>(88,173)</u>
Fund Balance - Beginning, as <i>restated</i>	<u>\$ -</u>

NOTE 12 - SUBSEQUENT EVENTS

The management of the District reviewed the results of operations for the period of time from its year end June 30, 2023, through March 07, 2024, the date the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred other than already mentioned, the nature of which would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Service cost	\$ 1,973,185	\$ (3,878,202)	\$ 3,450,254	\$ 2,439,330	\$ 1,894,884	\$ 3,083,283
Interest on the total pension liability	5,642,677	(11,273,990)	10,169,614	7,099,900	5,321,373	8,888,146
Expensed portion of current-period changes in proportion and difference between employer's contributions and proportionate share of contributions	1,662,438	(3,140,236)	275,751	50,959	(1,389,022)	520,596
Expensed portion of current-period difference between expected and actual experience in the total pension liability	169,719	(23,182)	(32,486)	278,874	94,824	(94,543)
Expensed portion of current-period changes of assumptions or other inputs	-	(766,464)	(57,067)	-	(167,185)	-
Member contributions	(918,921)	1,802,625	(1,641,387)	(1,143,288)	(856,396)	(1,401,275)
Projected earnings on plan investments	(5,750,008)	10,789,349	(9,282,342)	(5,952,454)	(4,812,359)	(7,491,678)
Expensed portion of current-period differences between actual and projected earnings on plan investments	3,066,526	2,155,435	(681,478)	(1,256,254)	1,282,993	(1,349,724)
Administrative expense	86,688	(173,110)	155,464	107,497	77,227	132,858
Other expenses	27,951	(19,135)	16,421	11,696	30,038	17,675
Recognition of beginning of year deferred outflows of resources as pension expense	1,798,533	(2,973,836)	2,791,886	2,742,951	838,375	1,472,409
Recognition of beginning of year deferred inflows of resources as pension expense	(2,434,057)	4,458,538	(3,509,465)	(1,396,140)	-	-
Net amortization of deferred amounts from changes in proportion and differences between employer's contribution and proportionate share of contribution	<u>(3,605,267)</u>	<u>(760,367)</u>	<u>(896,132)</u>	<u>(1,313,432)</u>	<u>(514,333)</u>	<u>(1,239,294)</u>
Net change in total pension liability	<u>\$ 1,719,464</u>	<u>\$ (3,802,575)</u>	<u>\$ 759,033</u>	<u>\$ 1,669,639</u>	<u>\$ 1,800,419</u>	<u>\$ 2,538,453</u>

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Service cost	\$ 2,141,354	\$ 1,952,386	\$ 2,170,536
Interest on the total pension liability	6,253,767	5,893,314	6,336,010
Expensed portion of current-period changes in proportion and difference between employer's contributions and proportionate share of contributions	(138,010)	(590,374)	(510,910)
Expensed portion of current-period difference between expected and actual experience in the total pension liability	(46,136)	(139,078)	(450,621)
Expensed portion of current-period changes of assumptions or other inputs	-	161,621	(186)
Member contributions	(937,982)	(863,851)	(883,512)
Projected earnings on plan investments	(5,147,268)	(5,065,803)	(5,273,953)
Expensed portion of current-period differences between actual and projected earnings on plan investments	(14,034)	864,172	(30,163)
Administrative expense	89,654	82,128	78,803
Other expenses	(94,310)	6,764	-
Recognition of beginning of year deferred outflows of resources as pension expense	(595,247)	(431,135)	-
Recognition of beginning of year deferred inflows of resources as pension expense	-	-	-
Net amortization of deferred amounts from changes in proportion and differences between employer's contribution and proportionate share of contribution	<u>(1,101,284)</u>	<u>(510,910)</u>	<u>-</u>
Net change in total pension liability	<u>\$ 410,504</u>	<u>\$ 1,359,234</u>	<u>\$ 1,436,004</u>

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Reconciliation of net pension liability						
Beginning net pension liability	\$ 3,772,996	\$ 6,595,503	\$ 9,024,195	\$11,716,980	\$11,693,174	\$14,693,106
Pension expense	1,719,464	(3,802,575)	759,033	1,669,639	597,033	1,637,240
Employer contributions	(1,342,381)	(2,242,085)	(2,168,347)	(1,302,356)	(3,010,225)	(2,111,707)
Net deferred inflows/outflows	12,849,940	5,873,770	(3,036,659)	(4,046,167)	4,873,645	(5,737,357)
Net deferred inflows/outflows due to change in proportion	<u>(4,334,395)</u>	<u>(2,651,617)</u>	<u>2,017,281</u>	<u>986,099</u>	<u>(2,436,647)</u>	<u>3,211,892</u>
Net pension liability - ending	<u>\$12,665,624</u>	<u>\$ 3,772,996</u>	<u>\$ 6,595,503</u>	<u>\$ 9,024,195</u>	<u>\$11,716,980</u>	<u>\$11,693,174</u>
Plan fiduciary net position as a percentage of the total pension liability	77.42 %	92.85 %	81.06 %	81.06 %	74.20 %	74.20 %
Covered - employee payroll	\$ 2,443,181	\$ 2,686,925	\$ 2,499,171	\$ 2,358,500	\$ 2,346,256	\$ 2,194,605
Net pension liability as percentage of covered employee payroll	518.41 %	140.42 %	263.91 %	382.62 %	499.39 %	532.81 %

* Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Reconciliation of net pension liability			
Beginning net pension liability	\$15,252,152	\$13,499,212	\$16,612,346
Pension expense	1,481,331	1,359,234	1,436,004
Employer contributions	(2,058,096)	(2,186,912)	(966,307)
Net deferred inflows/outflows	(220,843)	3,536,036	(1,743,556)
Net deferred inflows/outflows due to change in proportion	<u>238,562</u>	<u>(955,418)</u>	<u>(1,839,275)</u>
Net pension liability - ending	<u><u>\$14,693,106</u></u>	<u><u>\$15,252,152</u></u>	<u><u>\$13,499,212</u></u>
Plan fiduciary net position as a percentage of the total pension liability	66.55 %	63.59 %	65.89 %
Covered - employee payroll	\$ 2,241,786	\$ 2,342,844	\$ 2,069,510
Net pension liability as percentage of covered employee payroll	655.42 %	651.01 %	652.29 %

**RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSION PLAN
Last 10 Fiscal Years***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,342,381	\$ 2,242,085	\$ 2,168,347	\$ 1,302,356	\$ 2,152,307	\$ 2,058,096
Contributions in relation to the actuarially determined contributions	<u>1,342,381</u>	<u>2,242,085</u>	<u>2,168,347</u>	<u>1,302,356</u>	<u>2,152,307</u>	<u>2,058,096</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,443,181	\$ 2,686,924	\$ 2,499,171	\$ 2,358,500	\$ 2,346,256	\$ 2,194,605
Contributions as a percentage of covered payroll	54.94 %	83.44 %	86.76 %	55.22 %	91.73 %	93.78 %

Notes to Schedule

Measurement date:	12/31/2022	12/31/2021	12/31/2020	12/31/2019	12/31/2018	12/31/2017
-------------------	------------	------------	------------	------------	------------	------------

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll
Remaining amortization period	3 years**
Asset valuation method	5-year semi-annually
Inflation	2.50%
Salary increases	3.50-14.00
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Retirement age	50 years Classic, 52 years PEPRA
Mortality	Pub-2010 General Healthy Retiree Amount-Weighted Above Median Mortality Table

* Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

** Remaining balance of December 31, 2007 UAAL is amortized over a fixed (decreasing or closed) period with 2 years remaining as of December 31, 2020 and 3 years remaining as of December 31, 2019. Any changes in UAAL after December 31, 2007 will be separately amortized over a fixed 18 year period effective with that valuation. Effective December 31, 2013, any changes in UAAL due to plan amendments (with the exception of a change due to retirement incentives) will be amortized over a 10-year fixed period effective with that valuation. The entire increase in UAAL resulting from a temporary retirement incentive will be funded in full upon adoption of the incentive.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CONTRIBUTIONS - PENSION PLAN
Last 10 Fiscal Years***

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 2,058,096	\$ 2,186,912	\$ 966,307
Contributions in relation to the actuarially determined contributions	<u>2,058,096</u>	<u>2,186,912</u>	<u>966,307</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,241,786	\$ 2,342,844	\$ 2,069,510
Contributions as a percentage of covered payroll	91.81 %	93.34 %	46.69 %

Notes to Schedule

Measurement date:	12/31/2016	12/31/2015	12/31/2014
-------------------	------------	------------	------------

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

Valuation Date	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Fiscal Year End Date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Net OPEB Liability, beginning balance	\$ 2,072,366	\$ 3,698,812	\$ 3,746,465	\$ 3,689,016	\$ 3,697,183	\$ 3,434,798
Changes recognized for year:						
Service cost	106,585	83,127	80,902	108,352	105,452	102,630
Interest on total OPEB liability	335,632	407,152	397,342	380,908	369,599	349,483
Expected investment income	(205,461)	(162,229)	(148,017)	(132,686)	(119,183)	(162,001)
Administrative expense	772	860	1,024	407	3,152	1,355
Employee contributions	-	-	-	-	-	-
Employer contributions to trust	(73,709)	(133,725)	(122,979)	(82,665)	-	-
Employer contributions as benefit payments	(321,473)	(350,099)	(328,327)	(312,076)	(348,218)	(29,082)
Benefit payment from trust	-	-	-	-	-	-
Expected benefit payments from employer	-	-	-	-	-	-
Expected Balance at June 30	<u>1,914,712</u>	<u>3,543,898</u>	<u>3,626,410</u>	<u>3,651,256</u>	<u>3,707,985</u>	<u>3,697,183</u>
Experience (gains)/losses	-	(968,715)	-	79,438	-	-
Changes assumption	-	(41,635)	-	-	-	-
Changes in benefits terms	-	-	-	-	-	-
Expected investment income	-	-	-	-	-	-
Investment gains/ (losses)	620,046	(461,182)	72,402	15,771	(17,412)	-
Other	-	-	-	-	(1,557)	-
Net changes during the period	<u>462,392</u>	<u>(1,626,446)</u>	<u>(47,653)</u>	<u>57,449</u>	<u>(8,167)</u>	<u>262,385</u>
Net OPEB liability, ending balance	<u>\$ 2,534,758</u>	<u>\$ 2,072,366</u>	<u>\$ 3,698,812</u>	<u>\$ 3,746,465</u>	<u>\$ 3,689,016</u>	<u>\$ 3,697,183</u>

* GASB 75 requires presentation of the 10 year history of changes in the Net OPEB Liability. Fiscal year 2018 was the 1st year of implementation, therefore only six years are shown.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - OPEB PLAN**

Actuarial Assumptions

The net OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial method	Entry age actuarial cost method
Discount rate	6.75%
Inflation	2.50% per year used for pension purposes.
Payroll increase	2.75% per year.
Investment rate of return	6.75% per year, net of expenses.
Mortality rates	2017 CalPERS Mortality for Miscellaneous Employees, Retired Safety Employees, Active Safety Employees
Healthcare cost trend rate	4.00% per year for medical benefits

RODEO - HERCULES FIRE PROTECTION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES:				
Property taxes	\$ 4,159,511	\$ 4,136,845	\$ 4,490,699	\$ 353,854
Home owner property tax relief	29,956	29,956	26,693	(3,263)
Intergovernmental revenue	375,000	523,503	555,796	32,293
Charges for services	122,161	109,161	230,068	120,907
Special tax/fire (Benefit assessment)	1,362,081	1,362,081	3,945,909	2,583,828
Use of money and property	6,000	6,000	54,261	48,261
Miscellaneous	<u>23,000</u>	<u>23,000</u>	<u>9,261</u>	<u>(13,739)</u>
Total revenues	<u>6,077,709</u>	<u>6,190,546</u>	<u>9,312,687</u>	<u>3,122,141</u>
EXPENDITURES:				
Current:				
Public safety-fire protection	8,612,966	8,771,238	8,335,934	435,304
Capital outlay	-	-	48,092	(48,092)
Debt service:				
Principal	-	-	128,094	(128,094)
Interest	<u>-</u>	<u>-</u>	<u>128,373</u>	<u>(128,373)</u>
Total Expenditures	<u>8,612,966</u>	<u>8,771,238</u>	<u>8,640,493</u>	<u>130,745</u>
Net change in fund balances	<u>(2,535,257)</u>	<u>(2,580,692)</u>	<u>672,194</u>	<u>3,252,886</u>
Fund balances, beginning of year	-	-	6,643,721	-
<i>Restatement</i>	-	-	(88,173)	-
Fund balances, beginning of year, <i>restated</i>	<u>6,555,548</u>	<u>6,555,548</u>	<u>6,555,548</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,020,291</u>	<u>\$ 3,974,856</u>	<u>\$ 7,227,742</u>	<u>\$ 3,252,886</u>

COMPLIANCE SECTION



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Rodeo - Hercules Fire Protection District
Hercules, California

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Rodeo - Hercules Fire Protection District (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise District's basic financial statements and have issued our report thereon dated March 07, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harskmal & Company LLP

Oakland, California
March 07, 2024

RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness?	None reported
• Noncompliance material to financial statements noted?	No

**RODEO - HERCULES FIRE PROTECTION DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no findings related to the financial statements for the fiscal year ended June 30, 2023.

**RODEO - HERCULES FIRE PROTECTION DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023**

SECTION II - STATUS OF PRIOR YEAR AUDIT FINDINGS

There were no findings reported in prior year.

RODEO - HERCULES FIRE PROTECTION DISTRICT

HERCULES, CALIFORNIA

MEASURE O REPORT

JUNE 30, 2023



RODEO - HERCULES FIRE PROTECTION DISTRICT
TABLE OF CONTENTS
JUNE 30, 2023

Page

Independent Accountant's Report on Applying Agreed-Upon Procedures1



**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Rodeo - Hercules Fire Protection District
Hercules, California

Report on the Financial Statements

We have performed the procedures enumerated below, which were agreed to by the Rodeo - Hercules Fire Protection District's management, on the Rodeo - Hercules Fire Protection District's (the "District") Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2023. The District management is responsible for the receipt of Measure O - Special Tax revenues and deposit of such proceeds into the District's Measure O - Special Tax Revenue Fund and use it solely for any lawful purpose permissible to the District as instructed in Ordinance 2016-1. The sufficiency of these procedures is solely the responsibility of the District's management. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

PROCEDURES:

The procedures performed and findings are listed below:

1. We agreed the actual Measure O - Special Tax proceeds collected and expended to the amounts recorded in the District's general ledger and recalculated the mathematical accuracy of the following schedule provided by the District:

Revenues:	
Measure O - special tax revenue	<u>\$ 2,584,327</u>
Expenditures:	
Group insurance health active employees	429,230
Group insurance - retiree	336,709
Unfunded actuarial accrued liability payments	1,684,896
County collection fee	<u>9,537</u>
Total expenditures	<u>2,460,372</u>
Net change in Measure O Fund	123,955
Available Measure O Fund, beginning of year	<u>844,178</u>
Available Measure O Fund, ending of year	<u><u>\$ 968,133</u></u>

The District received the Measure O Parcel tax funds mostly in September 2022. During fiscal year 2022-23, funds were used as follows:

Group Insurance Active Employees - The District spent a total of \$429,230 from the Measure O Fund to cover Group Insurance of active employees through June 30, 2023. Detail of insurance paid through Measure O Fund resources were as follows:

Group insurance active employees paid through Measure O:

July 2022	\$	34,567
August 2022		34,901
September 2022		29,877
October 2022		34,009
November 2022		34,042
December 2022		34,349
January 2023		36,259
February 2023		38,399
March 2023		38,748
April 2023		38,399
May 2023		38,138
June 2023		<u>37,542</u>
Total	\$	<u>429,230</u>

Group Insurance - Retiree - The District spent a total of \$336,709 from the Measure O Fund to cover Group Insurance Retiree through June 30, 2023. Detail of insurance paid through Measure O Fund resources were as follows:

Group Insurance - Retiree paid through Measure O:

July 2022	\$	27,739
August 2022		28,414
September 2022		28,798
October 2022		27,688
November 2022		27,254
December 2022		26,701
January 2023		29,067
February 2023		29,100
March 2023		26,801
April 2023		29,100
May 2023		28,323
June 2023		<u>27,724</u>
Total	\$	<u>336,709</u>

Unfunded Actuarial Accrued Liability Payments - The District spent a total of \$1,684,896 from the Measure O Fund to cover the District's Unfunded Actuarial Accrued Liability to Contra Costa County Employee's Retirement Association.

County Collection Fees - Contra Costa County assesses fees to levy assessments and taxes. Charges for the Measure O Levy totaled \$9,537, which was paid using Measure O Fund resources.

2. We traced the proceeds of the Measure O tax and reviewed the expenditures made by using those proceeds, as listed in aforementioned schedules, in accordance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq. regarding use of tax proceeds.

FINDINGS:

Proceeds of taxes as listed in the schedule presented by the District's management were paid into the District's Measure O Special Revenue Fund and had been used by the District's, in compliance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq, with no exceptions.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the District's management and is not intended to be and should not be used by anyone other than these specified parties.

Harshmal & Company LLP

Oakland, California
March 07, 2024



MEASURE O ANNUAL FIRE CHIEF REPORT

FISCAL YEAR 2022-23

Table of Contents

Contents

Measure O	1
Financial Summary	3

The Fire Chief, or his designee, including but not limited to the District's chief fiscal officer, shall file an annual report with the Board. The annual report shall at a minimum, report upon the following: (a) The amount of tax proceeds collected and expended; and (b) The status of any project required or authorized to be funded in accordance with this section.

Measure O

History

In November 2016, the residents of Rodeo and Hercules voted overwhelmingly to pass Measure O, an annual parcel tax of \$216.00 (this amount may increase annually by the lesser of 3% or the CPI in the San Francisco-Oakland-San Jose Area by a vote of the Board of Directors). Measure O funding continues to be a crucial component of the Fire District's ability to maintain its fire stations and fire station staffing. Beginning in fiscal year 2019-20, the Board of Directors has increased the parcel tax by the allowable rate as follows:

FISCAL YEAR	PER PARCEL RATE
2017-18	\$216.00
2018-19	\$216.00
2019-20	\$222.00
2020-21	\$228.00
2021-22	\$231.00
2022-23	\$238.00

Senior Exemptions

Seniors who are 65 or older are eligible for an exemption to the parcel Tax. For someone to qualify for the senior exemption, they must meet the following qualifications:

- The qualifying person must reside in the property for which they are claiming an exemption.

- A new exemption form must be submitted on an annual basis and returned to the Measure O Parcel Tax Administrator by the deadline of January 31st of each year and include proof of eligibility.

For the convenience of our residents, an exemption drop-off mailbox is in front of our District offices.

Financial Highlights

The Fire District received 618 Senior Exemptions for fiscal year 2022-23, a 9% increase from exemptions received in fiscal year 2021-22. The exemptions equate to a \$147,084 reduction in Measure O revenue. Fiscal year 2022-23 Measure O funds were distributed for Health Insurance for Active Employees, Retiree Health Insurance, Unfunded Actuarial Accrued Liability Payments, and the County Measure O Collection Fee.

Efficiencies

The practice of illustrating the Measure O revenues in a separate budget category within the Fire District's annual budget will continue.

Rebecca Ramirez
Interim Fire Chief
March 13, 2024

The proceeds of the special tax funding replacement measure imposed by this Ordinance shall be placed in a special account or fund to be used solely for any lawful purpose permissible to Fire Districts pursuant to California Health and Safety Code §13800 et seq., including but not limited to enhancing the level of fire prevention, emergency fire protection and paramedic response services through increasing staffing levels to operate and maintain the District's fire stations, maintaining and when necessary replacing fire protection and lifesaving equipment and apparatus to optimal levels of function and performance, and to fund capital improvements.

Financial Summary

Measure O Revenues received were \$2,584,327, and total expenditures were \$2,460,372, leaving a fund balance of \$968,134¹.

Measure O funds were used for the following expenses:

Unfunded Actuarial Accrued Liability	\$	1,684,896
Active Employee Medical Premiums	\$	429,230
Retiree Medical Premiums	\$	336,709
County Fees	\$	9,537
TOTAL	\$	2,460,372

Detailed Measure O expenditure information is provided in the Independent Accountant's Report, a copy of which is attached to this Annual Report.

¹ This fund balance is allocated for use in the next fiscal year's Measure O expenses for approximately four months until the Measure O revenues are realized in October.

RODEO - HERCULES FIRE PROTECTION DISTRICT

HERCULES, CALIFORNIA

MEASURE O REPORT

JUNE 30, 2023



RODEO - HERCULES FIRE PROTECTION DISTRICT
TABLE OF CONTENTS
JUNE 30, 2023

Page

Independent Accountant's Report on Applying Agreed-Upon Procedures1



**INDEPENDENT ACCOUNTANT’S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Rodeo - Hercules Fire Protection District
Hercules, California

Report on the Financial Statements

We have performed the procedures enumerated below, which were agreed to by the Rodeo - Hercules Fire Protection District's management, on the Rodeo - Hercules Fire Protection District's (the "District") Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2023. The District management is responsible for the receipt of Measure O - Special Tax revenues and deposit of such proceeds into the District's Measure O - Special Tax Revenue Fund and use it solely for any lawful purpose permissible to the District as instructed in Ordinance 2016-1. The sufficiency of these procedures is solely the responsibility of the District's management. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

PROCEDURES:

The procedures performed and findings are listed below:

- 1. We agreed the actual Measure O - Special Tax proceeds collected and expended to the amounts recorded in the District's general ledger and recalculated the mathematical accuracy of the following schedule provided by the District:

Revenues:	
Measure O - special tax revenue	<u>\$ 2,584,327</u>
Expenditures:	
Group insurance health active employees	429,230
Group insurance - retiree	336,709
Unfunded actuarial accrued liability payments	1,684,896
County collection fee	<u>9,537</u>
Total expenditures	<u>2,460,372</u>
Net change in Measure O Fund	123,955
Available Measure O Fund, beginning of year	<u>844,178</u>
Available Measure O Fund, ending of year	<u><u>\$ 968,133</u></u>

The District received the Measure O Parcel tax funds mostly in September 2022. During fiscal year 2022-23, funds were used as follows:

Group Insurance Active Employees - The District spent a total of \$429,230 from the Measure O Fund to cover Group Insurance of active employees through June 30, 2023. Detail of insurance paid through Measure O Fund resources were as follows:

Group insurance active employees paid through Measure O:

July 2022	\$	34,567
August 2022		34,901
September 2022		29,877
October 2022		34,009
November 2022		34,042
December 2022		34,349
January 2023		36,259
February 2023		38,399
March 2023		38,748
April 2023		38,399
May 2023		38,138
June 2023		<u>37,542</u>
Total	\$	<u>429,230</u>

Group Insurance - Retiree - The District spent a total of \$336,709 from the Measure O Fund to cover Group Insurance Retiree through June 30, 2023. Detail of insurance paid through Measure O Fund resources were as follows:

Group Insurance - Retiree paid through Measure O:

July 2022	\$	27,739
August 2022		28,414
September 2022		28,798
October 2022		27,688
November 2022		27,254
December 2022		26,701
January 2023		29,067
February 2023		29,100
March 2023		26,801
April 2023		29,100
May 2023		28,323
June 2023		<u>27,724</u>
Total	\$	<u>336,709</u>

Unfunded Actuarial Accrued Liability Payments - The District spent a total of \$1,684,896 from the Measure O Fund to cover the District's Unfunded Actuarial Accrued Liability to Contra Costa County Employee's Retirement Association.

County Collection Fees - Contra Costa County assesses fees to levy assessments and taxes. Charges for the Measure O Levy totaled \$9,537, which was paid using Measure O Fund resources.

2. We traced the proceeds of the Measure O tax and reviewed the expenditures made by using those proceeds, as listed in aforementioned schedules, in accordance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq. regarding use of tax proceeds.

FINDINGS:

Proceeds of taxes as listed in the schedule presented by the District's management were paid into the District's Measure O Special Revenue Fund and had been used by the District's, in compliance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq, with no exceptions.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the District's management and is not intended to be and should not be used by anyone other than these specified parties.

Harshmal & Company LLP

Oakland, California
March 07, 2024

RODEO-HERCULES FIRE PROTECTION DISTRICT
MEMORANDUM

Date: March 13, 2024

To: Board of Directors, Rodeo-Hercules Fire Protection District

From: Vice-Chair Marie Bowman

Subject: Memorandum of Understanding for Coordination of Wildfire Prevention Activities to Protect the East Bay Hills in Alameda and Contra Costa Counties

The East Bay Hills along the border of Alameda and Contra Costa Counties, and extending north to Hercules and south to Fremont, is a high wildfire risk zone as determined by the California Department of Forestry and Fire Protection (Cal Fire). In the face of increasing threats from wildfire, it is time for a more effective, regional approach to keep residents in the East Bay safe.

Wildfires do not respect political boundaries, calling for regional efforts in fire prevention and vegetation management efforts. During the past several years we have all experienced longer periods of drought, more erratic precipitation patterns, more instances of extreme heat, and more frequent high winds; conditions for major wildfire events and an extended fire season. Local best practices in fire prevention and vegetation management are advancing quickly. However, given the global climate crisis they need to be scaled up.

Today in the East Bay, local governments are responsible for preventing and fighting wildfires in the fire risk areas of their cities and towns, counties and independent fire districts manage unincorporated areas, and agencies such as EBMUD, EBRPD, PG&E, and UC Berkeley manage their significant wildland holdings in the East Bay Hills. Any gap in efforts could weaken the entire region, resulting in devastating effects.

Cooperation is required to make our communities safer. Coordination among the many jurisdictions, fire districts, and other regional agencies in the East Bay wildfire zone is an impossible challenge without a clear framework for coordination, formalized by a Memorandum of Understanding (MOU) which has as its sole focus wildfire prevention in the East Bay Hills. An MOU is an ideal mechanism to gather resources, align strategies, and implement new programs targeted at the areas at greatest risk.

There are many opportunities for fire districts to meet and collaborate on wildfire prevention, however, there are few opportunities for cross-agency governing body communication and cooperation related to wildfire prevention in the East Bay Hills.

In accordance with the MOU, elected/appointed officials of the participating agencies will collaborate on strategies and activities to minimize wildfire hazards in the East Bay Hills by:

- Providing regional governing body coordination and policy support to fire chiefs and their staff who seek to develop model fire codes.
- Providing regional governing body coordination and policy support to fire chiefs and their staff developing and implementing joint plans to reduce flammable wildland vegetation and replace it with wildfire resistant vegetation where appropriate.
- Working with regional partners including the Hills Emergency Forum and local fire chiefs to identify and apply for state, federal or other funds to assist with wildfire risk mitigation activities.
- Supporting the planning and coordination efforts of fire chiefs and their staff to conduct wildfire evacuations and response, especially those that cross jurisdictional boundaries between one or more of the Participating Agencies.
- Working cooperatively to influence legislation at the State level to support resources and policies to mitigate wildfire risk and to make wildfire safety a priority.

RECOMMENDATION:

It is recommended that RHFD sign the MOU to become a Participating Agency of the Wildfire Prevention Community Group (WPCG). This is a regional approach to wildfire prevention that will benefit our district and neighboring communities in the East Bay Hills. Notably, on February 6, 2024 the Contra Costa County Board of Supervisors approved and thereby authorized both the County and Contra Costa County Fire Protection District to participate in the WPCG.

WPCG membership will not require staff participation from RHFD. All WPCG members and alternates shall be elected or appointed members of Boards of Supervisors, City or Town Councils, Boards of Directors, or a functional equivalent.

WPCG membership does not require financial resources from RHFD. The Oakland Wildfire Council will provide financial resources for the first year of the MOU. Any future dues structure would require approval of 100% of WPCG members including RHFD. The West Contra Costa Fire Safe Council (WCCFSC) has agreed to contribute any membership fees on behalf of RHFD for a period of one to two years should a dues structure be authorized which may call for a contribution from RHFD. WPCG can be authorized by its members to apply for grants or other funds that may become available for joint use, possibly eliminating the need for a dues structure.

In the event RHFD wishes to withdraw from WPCG membership for any reason, it may terminate its participation in the MOU by giving sixty (60) days' prior written notice to the other WPCG members.

This MOU provides the legal basis for the jurisdictions involved to work together on efforts to limit or prevent damage from future wildfires in the East Bay Hills. Counties and cities are authorized to make such contracts under Government Code section 23004(c), Government Code section 40602(b), or through municipal charters or codes. By signing this MOU and becoming a Participating Agency, RHFD can help establish goals, procedures and programs as necessary to accomplish the shared intent outlined in Section 1 of the MOU. In addition, RHFD can help develop and implement plans for staff support of WPCG activities and objectives, without having to provide staff support from RHFD.



East Bay Hills Wildfire Prevention & Coordination

A grassroots advocacy effort to create a formalized agreement to reduce wildfire threat throughout the East Bay

Photo credit: Julia Sumangil Photography

Guiding Principles for a Regional Approach to Wildfire Prevention

Increasing Threats

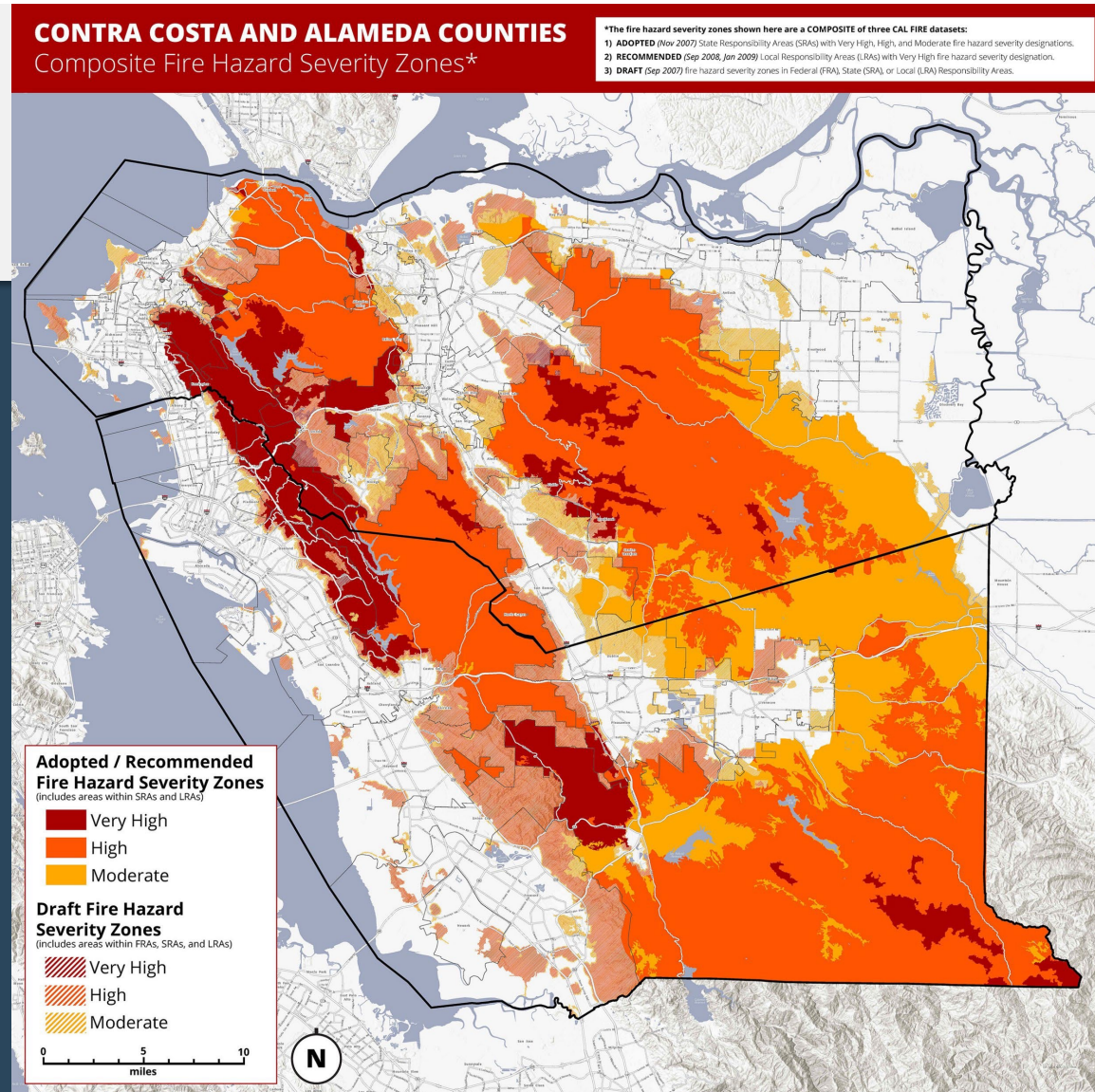
In the face of increasing threats from wildfire, it is time for a new, more effective, regional approach to keep residents safe.

Regional Issue

Wildfires do not respect political boundaries so fire prevention and vegetation management should be regional efforts.

Difficult to Coordinate

Coordinating among the many jurisdictions is a challenge without a specialized mechanism



Opportunities for Wildfire Prevention Coordination

- » **Established coordination exists amongst fire officials**
- » **East Bay WUI areas with highly local needs and requirements (non-native species, high density)**
- » **No dedicated staff for regional wildfire prevention coordination**
- » **No interjurisdictional framework for policy making**
- » **Uneven enforcement of vegetation management regulations and state fire code**
- » **Regional coordination increasingly prioritized in State and Federal programs**

Existing Wildfire Prevention Coordination Efforts

- » **Chiefs' Associations (Alameda & Contra Costa Counties)**
- » **Hills Emergency Forum (HEF)**
- » **East Bay Regional Communication System Authority (EBRCSA)**
- » **Community Wildfire Protection Plans (CWPP)**
- » **Regional Priority Plan (RPP)**
- » **EBRPD Wildfire Risk and Fine Scale Vegetation Mapping**

Our Work to Date

- » **2019-2021:** Oakland Firesafe Council (OFSC) members begin fundraising and stakeholder outreach; engage Placeworks Consulting
- » **Dec 2021-Jun 2022:** OFSC facilitates five meetings amongst 25+ local agency and elected officials to explore collaboration options--from existing mechanisms to a JPA
- » **Summer 2022:** Stakeholders agree to work towards an MOU; OFSC hires Hanson-Bridgett law firm to draft MOU
- » **Dec 2022 – June 2023:** Drafts shared and revised with stakeholder
- » **Summer 2023:** MOU finalized with key input from fire officials (Sprague)
- » **Autumn 2023 - present:** Jurisdictions sign on to MOU



Memorandum of Understanding

*for coordination of wildfire prevention activities to protect the
East Bay Hills in Alameda and Contra Costa Counties*

Photo credit: Julia Sumangil Photography

MOU: A Simple Platform

- » **Explanation of wildfire risks in East Bay Hills**
- » **Description of wildfire prevention activities performed by Participating Agencies and current collaboration efforts within counties**
- » **Desire to improve coordination, enhance efficacy & efficiency**
- » **Goal of increasing each Participating Agency's level of service to residents and property owners**
- » **No alteration of jurisdictional boundaries, cooperative efforts, or individual jurisdiction authority**

Shared Intent / Potential Activities

Once formed, Participating Agencies will jointly decide on activities. The following have been discussed:

- » **Collaboration on strategies and policies to minimize wildfire hazards in the East Bay Hills including vegetation management**
- » **Assist in adoption of consistent codes for fire prevention**
- » **Partner to apply for state, federal, and other grant funds**
- » **Plan for wildfire response including evacuations across jurisdictions**

Principles and Duties

- » **Hold open and public meetings**
- » **Establish goals, procedures and programs**
- » **Designate a fiscal agent; develop plan for staff support**
- » **Institute a dues structure and/or apply for grants as needed**
- » **Adopt annual budget**

East Bay Hills Regional Wildfire Prevention Coordinating Group (WPCG)

Structure

- » Each Participating Agency appoints:
One Member from governing body (plus alternate)
- » Fire Officials to advise on strategies and policies



WPCG Status as of March 2024

- » **Five jurisdictions have adopted MOU, appointing representatives:**
 - 1) **Contra Costa County**
 - 2) **Alameda County**
 - 3) **Berkeley**
 - 4) **Oakland**
 - 5) **Richmond**

- » **Jurisdictions scheduled to consider/adopt in March**
 - 1) **Pinole**
 - 2) **Hercules-Rodeo Fire District**
 - 3) **El Cerrito (plus Kensington Fire District to consider in April)**

GOAL: First WPCG meeting in Spring 2024

Funding Partners Supporting MOU Development*

- » Bay Area Air Quality Management District
- » Donner Family Fund
- » California Coastal Conservancy grant via Bay Area Council Economic Institute
- » CSAA Insurance Group
- » PG&E
- » Numerous community members and neighborhood groups in the East Bay Hills
- » Alameda County
- » Contra Costa County
- » City of Berkeley
- » City of Oakland
- » City of Pinole
- » City of Richmond
- » Moraga-Orinda Fire Protection District

* Through donations to 501(c)(3) sponsor Oakland Firesafe Council (OFSC)

Contact

JON KAUFMAN jonk@solem.com

LISA JACOBS ljacobs@oaklandfiresafecouncil.org

DAVID EARLY dearly@placeworks.com

EastBayWildfire.org



Formatted: Font: 8.5 pt, Font color: Black

**MEMORANDUM OF UNDERSTANDING FOR COORDINATION OF WILDFIRE
PREVENTION ACTIVITIES TO PROTECT THE EAST BAY HILLS IN ALAMEDA AND
CONTRA COSTA COUNTIES**

This Memorandum of Understanding ("MOU") is entered into as of _____, 2023, (the "Effective Date") by and between the following agencies (referred to herein individually as a "Participating Agency" and collectively as the "Participating Agencies"):

[[List of agencies]]; and any other New Participating Agency in accordance with Section 4 of this MOU.

Recitals

A. The East Bay Hills along the border of Alameda and Contra Costa Counties, and extending north to Hercules and south to Fremont, is a high wildfire risk zone. As wildfires do not respect political boundaries, fire prevention and vegetation management ~~should be~~ regional efforts ~~that require~~ coordination among the many jurisdictions, fire districts, and other regional agencies in the East Bay wildfire zone.

B. ~~While there are strong regional coordinating efforts that have been long established, the pace of climate change and its impacts to wildfire in the region call for more coordination at the governing body level.~~ With support from community organizations concerned with wildfire prevention, a group of public officials representing the counties, municipalities and fire districts in the East Bay Hills has come together to form a structure for ~~electing officials to meet~~ their common goals regarding regional wildfire prevention, including providing ~~governance and policy support towards expertise and participation in~~ regional efforts to ~~lobby for legislation and funding~~, improve grant funding and wildfire hazard reduction, resulting in the development, execution and implementation of this MOU. This group desires for the Counties of Alameda and Contra Costa, together with all municipalities and fire districts in the East Bay Hills that include areas in high wildfire risk zones, as determined by the California Department of Forestry and Fire Protection (CAL FIRE), to sign this MOU.

C. Each of the Participating Agencies performs wildfire prevention activities, including but not limited to adopting and implementing fire codes; enforcing weed/overgrown vegetation hazard abatement standards; planning, ~~coordinating and applying for local and regional grants, funding and~~ implementing wildfire hazard identification and mitigation programs; and engaging in separate and joint wildfire emergency response planning.

D. Staff members of certain ~~of the~~ Participating Agencies currently work together ~~to~~ on common endeavors, particularly within Contra Costa County and within Alameda County, ~~but less often across county lines~~. These efforts are expected to continue. ~~In addition, the~~ Participating Agencies desire to better coordinate these activities at both the governing body and staff levels to improve their efficacy and efficiency, with the shared goal of increasing each Participating Agency's respective level of service to the residents and property owners in ~~its own and neighboring jurisdictions~~ the region.

E. In furtherance of this goal, the Participating Agencies desire to create and benefit from opportunities for cross-agency governing body communication and cooperation related to wildfire prevention in the East Bay Hills, without altering any of the Participating Agencies' jurisdictional boundaries, existing cooperative efforts at the staff or Board/Council levels, or create new substantive legal authorities.

F. The Counties of Alameda and Contra Costa are subdivisions of the State of

Formatted: Font: 8.5 pt, Font color: Black

California with responsibility for adopting and enforcing Fire Codes within all unincorporated areas of the County, though separate fire protection districts and municipalities provide fire prevention and suppression services throughout the entire County.

G. The municipalities of [list of municipalities] are municipal corporations located in Alameda and Contra Costa Counties with responsibility for providing fire prevention and fire and emergency response services within their respective jurisdictions, whether directly or by contract with a local fire protection district.

H. The municipalities of [list of municipalities] are municipal corporations located in Alameda and Contra Costa Counties in which fire prevention and fire and emergency response services are provided by local fire protection districts.

I. Each of the counties listed in Recital F, above, is responsible for ratifying a Fire Code, and enforcing portions thereof, within the unincorporated portions of its respective jurisdiction.

J. Each of the municipalities listed in Recitals G and H, above, is responsible for ratifying a Fire Code, and enforcing portions thereof, within its respective jurisdiction.

K. The [list of fire protection districts] Districts are organized under the Fire Protection District Law of 1987 (Health & Safety Code § 13800 et seq.) to provide fire prevention and suppression services within their jurisdictions within portions of Alameda and Contra Costa Counties.

NOW THEREFORE, the Participating Agencies agree as follows:

1. **Shared Intent.** The Participating Agencies desire to collaborate on strategies and activities to minimize wildfire hazards in the East Bay Hills by:

A. Providing regional governing body coordination and policy support to fire chiefs and their staff. Assisting who seek to in the development of model fire codes addressing fire prevention for local adoption, particularly during the regular cycles of fire code updates that occur every three years, and at other times as appropriate.

B. Providing regional governing body and policy support to fire chiefs and their staff who are developing and implementing joint plans to reduce flammable wildland vegetation and replace it with wildfire resistant vegetation where appropriate.

C. Working with regional partners including the Hills Emergency Forum and local Fire Chiefs. Partnering together to identify and apply for state, federal or other grant funds to assist with wildfire risk mitigation activities including (but not limited to) risk identification, planning, and vegetation removal from public and private lands, protecting sensitive wildlife habitats and native plant landscapes, and supporting private property owners to implement home hardening activities.

D. Supporting the planning and coordination efforts of fire chiefs and their staff together to conduct for improve wildfire evacuations and response, especially those that cross jurisdictional boundaries between one or more of the Participating Agencies.

D.E. Working cooperatively to influence legislation at the State level to support resources and policies to mitigate wildfire risk and to make wildfire safety a priority.

Formatted: Indent: Left: 0.08", First line: 0.5", Right: 0", No bullets or numbering, Tab stops: Not at 1.58"

2. **Term of Agreement.** The term of this MOU will commence on _____, 20_

and continue unless terminated pursuant to Section 7, below.

3. Co-operative Structure: East Bay Hills Regional Wildfire Prevention Coordinating Group. The Participating Agencies agree to form an East Bay Hills Regional Wildfire Prevention Coordinating Group (WPCG) as described below. The WPCG's responsibilities will be executed in a manner consistent with the Participating Agencies' individual fire prevention responsibilities.

A. WPCG Members.

Each Participating Agency will appoint one member and one alternate from its governing body to serve on the WPCG. More specifically, all WPCG members and alternates shall be elected or appointed members of Boards of Supervisors, City or Town Councils, Boards of Directors, or a functional equivalent. Upon authorizing execution of this MOU, each Participating Agency will endeavor to identify its member and alternate within two months. A quorum of the WPCG will consist of representatives of 50% plus one of the Participating Agencies

B. Principles. The WPCG will adhere to the following principles:

i. Each member of the WPCG commits to actively advance the Shared Intent described in Section 1 of this MOU.

ii. The WPCG will provide a means of coordination, information sharing and peer review concerning means of accomplishing the Shared Intent described in Section 1 of this MOU.

iii. Signing this MOU and appointing a member to the WPCG does not obligate any Participating Agency to include other Participating Agencies in their individual wildfire prevention and risk mitigation activities.

C. Duties. The WPCG will undertake the following duties:

i. Hold open and public meetings in accordance with a regular meeting schedule established by the WPCG, not less than quarterly.

ii. Establish goals, procedures and programs, as necessary, for accomplishing the Shared Intent outlined in Section 1 of this MOU.

iii. Designate a Fiscal Agent, as further described in Section 3.F, and provide policy oversight, advice and direction to the Fiscal Agent.

iv. Develop and implement a plan for staff support of WPCG activities and objectives, whether provided by members from one or more Participating Agency, or one or more other consulting entities hired the WPCG (such as private companies, other public entities, community-based organizations, or other non-profit organizations).

v. ~~Propose institute~~ a dues structure to fund WPCG activities, ~~and implement~~ if so agreed by ~~100% of the~~ WPCG members.

vi. Apply for grants or other funds that may become available for joint use by the Participating Agencies, if so agreed by the WPCG members.

vii. In the event that either (i) a dues structure is instituted, or (ii) grants or other funds are received: Adopt, monitor and revise a budget for expenditure or distribution of such funds on an annual basis (or other timeframe established by the WPCG, taking into account the life cycle of various grants and Participating Agency contributions). The budget will generally outline the staffing assignments and resources needed to accomplish the funded projects.

D. Chair. At the first meeting of each calendar year, the WPCG will elect a Chair for purposes of facilitating meetings of the WPCG and overseeing development of the agenda, with whatever assistance the Chair requires.

The Chair also may create a stakeholder advisory group consisting of individuals such as representatives of other public agencies, Firesafe Councils, neighborhood or other community-based organizations, and other organizations owning land and/or serving communities of residences and businesses in the East Bay Hills wildfire zone.

E. Decision Making. Unless otherwise noted in this MOU, the WPCG shall make decisions only with an affirmative vote of a majority of the WPCG members (or their alternates, in the members' absence). Additional decision-making procedures may be established by the WPCG as needed.

F. Designation of a Fiscal Agent. The WPCG will designate one of the Participating Agencies to serve as the WPCG's "Fiscal Agent," in which role that entity will (i) serve as the WPCG treasurer and (ii) enter into contracts on behalf of the WPCG. The WPCG will review the designation of the Fiscal Agent not more often than once every three years and with at least six months of time for the then-current and newly-selected agencies to prepare for the transition. The selection is subject to approval by the governing body of the newly-selected entity. In the event of a new designation and approval of the governing body of the newly-selected Fiscal Agent, the then-current and newly-selected Fiscal Agents will seek approval from their governing bodies to (i) transfer funds or access to WPCG accounts to the new Fiscal Agent, (ii) assign all outstanding WPCG-required contracts to the new Fiscal Agent, and (iii) take such other actions as may be necessary or convenient to effect the transition of the Fiscal Agent role. The WPCG will establish a process for reimbursing the Fiscal Agent for its actual costs and expenses accrued in performing its duties under this MOU, including for staff time based on then-current hourly rates of compensation.

4. Addition of Participating Agencies. Additional municipalities, special districts, and other public agencies may become Participating Agencies after obtaining approval of (a) their governing bodies, and (b) the WPCG. Any additional Participating Agency must evidence its agreement to the terms of this MOU, or a subsequent restatement of this MOU, by executing a signature page in the same form used by the original Participating Agencies and accepting the then-current terms of this MOU. Counter-signature by only the Fiscal Agent is required for the additional Participating Agency to be bound by the terms of this MOU with all other signatories to this MOU.

5. Employment of Personnel. The employees of each Participating Agency coordinating services pursuant to this MOU are not, and shall not be deemed, employees of any of the other Participating Agencies for any purpose. Each Participating Agency shall be solely responsible for all salary, benefits, workers' compensation, and insurance for its personnel providing services pursuant to this MOU, and said personnel shall be considered solely employees of the Participating Agencies for all supervisory, disciplinary and other employment related purposes.

6. Litigation Support. The Participating Agencies will make their employees

Formatted: Font: 8.5 pt, Font color: Black

Formatted: Font: Not Bold

Formatted: Font: Not Bold

|

Formatted: Font: 8.5 pt, Font color: Black

available to testify in any litigation brought regarding work performed under this MOU. Should a

Formatted: Font: 8.5 pt, Font color: Black

Participating Agency request that another Participating Agency's employees testify in litigation following the termination of this MOU, the requesting Participating Agency shall compensate the Participating Agency that is fulfilling the request for employees' costs and expenses in preparing for, traveling to, and testifying in such matters at the employee's then current hourly rate of compensation, unless such litigation is brought by the requesting Participating Agency or is based solely on allegations of the Participating Agency's negligent performance or wrongdoing.

7. **Termination or Withdrawal.** At any time and without cause, a Participating Agency may terminate its participation in this MOU by giving sixty (60) days' prior written notice to the other Participating Agencies.

8. **Indemnification.** Each of the other Participating Agencies will jointly indemnify, and hold harmless the Fiscal Agent and its directors/councilmembers/supervisors, officers, employees and agents (collectively, "Indemnitees") against all liability, claims, suits, actions, costs or expenses arising from loss of or damage to property, and injuries to or death of any person (including but not limited to the property or employees of each Participating Agency) when arising out of performance of this MOU.

The indemnifying Participating Agencies' obligation to defend includes the payment of all reasonable attorneys' fees and all other costs and expenses of suit, and if any judgment is rendered, or settlement entered, against any Indemnitee, the indemnifying Participating Agencies must, at their expense, satisfy and discharge the same.

This Section 8, Indemnification, will survive termination or expiration of this MOU.

9. **General Provisions.**

A. **Not a Joint Venture or Joint Powers Authority.** The Participating Agencies intend by this MOU to establish only a coordinating arrangement with regard to their respective individual and joint fire prevention activities, and do not intend to create a joint powers agency, partnership, joint venture, or joint enterprise at this time.

B. **No Third-Party Beneficiary.** This MOU is only for the benefit of the Participating Agencies as corporate entities and shall not be construed as or deemed to operate as an agreement for the benefit of any third party or parties. This MOU does not entitle any third party or parties to any right, benefit, position, or right of action of any kind for any reason whatsoever.

C. **Notices.** All written notices required or permitted to be given under this MOU will be deemed made when received by the other party or parties at its/their respective address(es) as indicated on its/their Signature Page(s), attached at the end of this MOU.

D. **Waiver.** No failure on the part of any Participating Agency party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that any Participating Agency may have hereunder, nor does waiver of a breach or default under this MOU constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

E. **Counterparts.** This MOU may be executed in one or more counterparts, each of which shall be considered an original and all of which constitute a single instrument.

Formatted: Font: 8.5 pt, Font color: Black

F. **Severability.** If any provision of this MOU or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this MOU, or the application of such provision to persons, entities or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this MOU shall be valid and enforceable to the fullest extent permitted by law.

G. **Amendment.** No modification, waiver, mutual termination, or amendment of this MOU is effective unless made in writing and signed by all of the Participating Agencies.

H. **Disputes.** In any dispute over any aspect of this MOU, the prevailing party shall be entitled to reasonable attorney's fees and costs.

I. **Governing Law.** This MOU, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of Alameda or Contra Costa County.

J. **Existing Agreements.** This MOU supplements, and does not replace, any prior or future agreements between any two or more Participating Agencies, including for contracted, shared or cooperative fire prevention and/or emergency medical services .

IN WITNESS WHEREOF, the parties have caused this MOU to be executed effective as of the day and year first above written.

[[SIGNATURE PAGES FOR EACH SIGNATORY AGENCY]]

**MEMORANDUM OF UNDERSTANDING FOR COORDINATION OF WILDFIRE
PREVENTION ACTIVITIES TO PROTECT THE EAST BAY HILLS IN ALAMEDA AND
CONTRA COSTA COUNTIES**

This Memorandum of Understanding (“MOU”) is entered into as of _____, 2023, (the "Effective Date") by and between the following agencies (referred to herein individually as a “Participating Agency” and collectively as the “Participating Agencies”):

[[List of agencies]]; and any other New Participating Agency in accordance with Section 4 of this MOU.

Recitals

A. The East Bay Hills along the border of Alameda and Contra Costa Counties, and extending north to Hercules and south to Fremont, is a high wildfire risk zone. As wildfires do not respect political boundaries, fire prevention and vegetation management are regional efforts that require coordination among the many jurisdictions, fire districts, and other regional agencies in the East Bay wildfire zone.

B. While there are strong regional coordinating efforts that have been long established, the pace of climate change and its impacts to wildfire in the region call for more coordination at the governing body level. With support from community organizations concerned with wildfire prevention, a group of public officials representing the counties, municipalities and fire districts in the East Bay Hills has come together to form a structure for elected officials to meet their common goals regarding regional wildfire prevention, including providing governance and policy support towards regional efforts to lobby for legislation and funding, improve grant funding and wildfire hazard reduction, resulting in the development, execution and implementation of this MOU. This group desires for the Counties of Alameda and Contra Costa, together with all municipalities and fire districts in the East Bay Hills that include areas in high wildfire risk zones, as determined by the California Department of Forestry and Fire Protection (CAL FIRE), to sign this MOU.

C. Each of the Participating Agencies performs wildfire prevention activities, including but not limited to adopting and implementing fire codes; enforcing weed/overgrown vegetation hazard abatement standards; planning, coordinating and applying for local and regional grants, implementing wildfire hazard identification and mitigation programs; and engaging in separate and joint wildfire emergency response planning.

D. Staff members of certain Participating Agencies currently work together on common endeavors, particularly within Contra Costa County and within Alameda County. These efforts are expected to continue. The Participating Agencies desire to better coordinate these activities at both the governing body and staff levels to improve their efficacy and efficiency, with the shared goal of increasing each Participating Agency’s respective level of service to the residents and property owners in the region.

E. In furtherance of this goal, the Participating Agencies desire to create and benefit from opportunities for cross-agency governing body communication and cooperation related to wildfire prevention in the East Bay Hills, without altering any of the Participating Agencies’ jurisdictional boundaries, existing cooperative efforts at the staff or Board/Council levels, or create new legal authorities.

F. The Counties of Alameda and Contra Costa are subdivisions of the State of California with responsibility for adopting and enforcing Fire Codes within all unincorporated

areas of the County, though separate fire protection districts and municipalities provide fire prevention and suppression services throughout the entire County.

G. The municipalities of [list of municipalities] are municipal corporations located in Alameda and Contra Costa Counties with responsibility for providing fire prevention and fire and emergency response services within their respective jurisdictions, whether directly or by contract with a local fire protection district.

H. The municipalities of [list of municipalities] are municipal corporations located in Alameda and Contra Costa Counties in which fire prevention and fire and emergency response services are provided by local fire protection districts.

I. Each of the counties listed in Recital F, above, is responsible for ratifying a Fire Code, and enforcing portions thereof, within the unincorporated portions of its respective jurisdiction.

J. Each of the municipalities listed in Recitals G and H, above, is responsible for ratifying a Fire Code, and enforcing portions thereof, within its respective jurisdiction.

K. The [list of fire protection districts] Districts are organized under the Fire Protection District Law of 1987 (Health & Safety Code § 13800 et seq.) to provide fire prevention and suppression services within their jurisdictions within portions of Alameda and Contra Costa Counties.

NOW THEREFORE, the Participating Agencies agree as follows:

1. Shared Intent. The Participating Agencies desire to collaborate on strategies and activities to minimize wildfire hazards in the East Bay Hills by:

A. Providing regional coordination among elected officials and policy support to fire chiefs and their staff in developing model fire codes.

B. Providing regional coordination among elected officials and policy support to fire chiefs and their staff in developing and implementing joint plans to reduce flammable wildland vegetation and replace it with wildfire resistant vegetation where appropriate.

C. Working with regional partners including the Hills Emergency Forum and local fire chiefs to identify and apply for state, federal or other funds to assist with wildfire risk mitigation activities including (but not limited to) risk identification, planning, and vegetation removal from public and private lands, protecting sensitive wildlife habitats and native plant landscapes, and supporting private property owners to implement home hardening activities.

D. Supporting the planning and coordination efforts of fire chiefs and their staff to plan wildfire evacuations and response, especially where these efforts cross jurisdictional boundaries between one or more of the Participating Agencies.

E. Working cooperatively to influence legislation at the State level to support resources and policies to mitigate wildfire risk and to make wildfire safety a priority.

2. Term of Agreement. The term of this MOU will commence on _____, 20_ and continue unless terminated pursuant to Section 7, below.

3. Co-operative Structure: East Bay Hills Regional Wildfire Prevention Coordinating Group. The Participating Agencies agree to form an East Bay Hills Regional Wildfire Prevention Coordinating Group (WPCG) as described below. The WPCG's responsibilities will be executed in a manner consistent with the Participating Agencies' individual fire prevention responsibilities.

A. WPCG Members.

Each Participating Agency will appoint one member and one alternate from its governing body to serve on the WPCG. More specifically, all WPCG members and alternates shall be elected or appointed members of Boards of Supervisors, City or Town Councils, Boards of Directors, or a functional equivalent. Upon authorizing execution of this MOU, each Participating Agency will endeavor to identify its member and alternate within two months. A quorum of the WPCG will consist of representatives of 50% plus one of the Participating Agencies

B. Principles. The WPCG will adhere to the following principles:

- i. Each member of the WPCG commits to actively advance the Shared Intent described in Section 1 of this MOU.
- ii. The WPCG will provide a means of coordination, information sharing and peer review concerning means of accomplishing the Shared Intent described in Section 1 of this MOU.
- iii. Signing this MOU and appointing a member to the WPCG does not obligate any Participating Agency to include other Participating Agencies in their individual wildfire prevention and risk mitigation activities.

C. Duties. The WPCG will undertake the following duties:

- i. Hold open and public meetings in accordance with a regular meeting schedule established by the WPCG, not less than quarterly.
- ii. Establish goals, procedures and programs, as necessary, for accomplishing the Shared Intent outlined in Section 1 of this MOU.
- iii. Designate a Fiscal Agent, as further described in Section 3.F, and provide policy oversight, advice and direction to the Fiscal Agent.
- iv. Develop and implement a plan for staff support of WPCG activities and objectives, whether provided by members from one or more Participating Agency, or one or more other consulting entities hired the WPCG (such as private companies, other public entities, community-based organizations, or other non-profit organizations).
- v. Propose a dues structure to fund WPCG activities, and implement if so agreed by 100% of WPCG members.
- vi. Apply for grants or other funds that may become available for joint use by the Participating Agencies, if so agreed by the WPCG members.
- vii. In the event that either (i) a dues structure is instituted, or (ii) grants or other funds are received: Adopt, monitor and revise a budget for expenditure or distribution of such funds on an annual basis (or other timeframe established by the WPCG,

taking into account the life cycle of various grants and Participating Agency contributions). The budget will generally outline the staffing assignments and resources needed to accomplish the funded projects.

D. Chair. At the first meeting of each calendar year, the WPCG will elect a Chair for purposes of facilitating meetings of the WPCG and overseeing development of the agenda, with whatever assistance the Chair requires.

The Chair also may create a stakeholder advisory group consisting of individuals such as representatives of other public agencies, Firesafe Councils, neighborhood or other community-based organizations, and other organizations owning land and/or serving communities of residences and businesses in the East Bay Hills wildfire zone.

E. Decision Making. Except where otherwise noted in this MOU, the WPCG shall make decisions only with an affirmative vote of a majority of the WPCG members (or their alternates, in the members' absence). Additional decision-making procedures may be established by the WPCG as needed.

F. Designation of a Fiscal Agent. The WPCG will designate one of the Participating Agencies to serve as the WPCG's "Fiscal Agent," in which role that entity will (i) serve as the WPCG treasurer and (ii) enter into contracts on behalf of the WPCG. The WPCG will review the designation of the Fiscal Agent not more often than once every three years and with at least six months of time for the then-current and newly-selected agencies to prepare for the transition. The selection is subject to approval by the governing body of the newly-selected entity. In the event of a new designation and approval of the governing body of the newly-selected Fiscal Agent, the then-current and newly-selected Fiscal Agents will seek approval from their governing bodies to (i) transfer funds or access to WPCG accounts to the new Fiscal Agent, (ii) assign all outstanding WPCG-required contracts to the new Fiscal Agent, and (iii) take such other actions as may be necessary or convenient to effect the transition of the Fiscal Agent role. The WPCG will establish a process for reimbursing the Fiscal Agent for its actual costs and expenses accrued in performing its duties under this MOU, including for staff time based on then-current hourly rates of compensation.

4. Addition of Participating Agencies. Additional municipalities, special districts, and other public agencies may become Participating Agencies after obtaining approval of (a) their governing bodies, and (b) the WPCG. Any additional Participating Agency must evidence its agreement to the terms of this MOU, or a subsequent restatement of this MOU, by executing a signature page in the same form used by the original Participating Agencies and accepting the then-current terms of this MOU. Counter-signature by only the Fiscal Agent is required for the additional Participating Agency to be bound by the terms of this MOU with all other signatories to this MOU.

5. Employment of Personnel. The employees of each Participating Agency coordinating services pursuant to this MOU are not, and shall not be deemed, employees of any of the other Participating Agencies for any purpose. Each Participating Agency shall be solely responsible for all salary, benefits, workers' compensation, and insurance for its personnel providing services pursuant to this MOU, and said personnel shall be considered solely employees of the Participating Agencies for all supervisory, disciplinary and other employment related purposes.

6. Litigation Support. The Participating Agencies will make their employees available to testify in any litigation brought regarding work performed under this MOU. Should a Participating Agency request that another Participating Agency's employees testify in litigation

following the termination of this MOU, the requesting Participating Agency shall compensate the Participating Agency that is fulfilling the request for employees' costs and expenses in preparing for, traveling to, and testifying in such matters at the employee's then current hourly rate of compensation, unless such litigation is brought by the requesting Participating Agency or is based solely on allegations of the Participating Agency's negligent performance or wrongdoing.

7. **Termination or Withdrawal.** At any time and without cause, a Participating Agency may terminate its participation in this MOU by giving sixty (60) days' prior written notice to the other Participating Agencies.

8. **Indemnification.** Each of the other Participating Agencies will jointly indemnify, and hold harmless the Fiscal Agent and its directors/councilmembers/supervisors, officers, employees and agents (collectively, "Indemnitees") against all liability, claims, suits, actions, costs or expenses arising from loss of or damage to property, and injuries to or death of any person (including but not limited to the property or employees of each Participating Agency) when arising out of performance of this MOU.

The indemnifying Participating Agencies' obligation to defend includes the payment of all reasonable attorneys' fees and all other costs and expenses of suit, and if any judgment is rendered, or settlement entered, against any Indemnitee, the indemnifying Participating Agencies must, at their expense, satisfy and discharge the same.

This Section 8, Indemnification, will survive termination or expiration of this MOU.

9. **General Provisions.**

A. **Not a Joint Venture or Joint Powers Authority.** The Participating Agencies intend by this MOU to establish only a coordinating arrangement with regard to their respective individual and joint fire prevention activities, and do not intend to create a joint powers agency, partnership, joint venture, or joint enterprise at this time.

B. **No Third-Party Beneficiary.** This MOU is only for the benefit of the Participating Agencies as corporate entities and shall not be construed as or deemed to operate as an agreement for the benefit of any third party or parties. This MOU does not entitle any third party or parties to any right, benefit, position, or right of action of any kind for any reason whatsoever.

C. **Notices.** All written notices required or permitted to be given under this MOU will be deemed made when received by the other party or parties at its/their respective address(es) as indicated on its/their Signature Page(s), attached at the end of this MOU.

D. **Waiver.** No failure on the part of any Participating Agency party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that any Participating Agency may have hereunder, nor does waiver of a breach or default under this MOU constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.

E. **Counterparts.** This MOU may be executed in one or more counterparts, each of which shall be considered an original and all of which constitute a single instrument.

F. **Severability.** If any provision of this MOU or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this MOU, or the application of such provision to persons, entities or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected

thereby, and each other provision of this MOU shall be valid and enforceable to the fullest extent permitted by law.

G. Amendment. No modification, waiver, mutual termination, or amendment of this MOU is effective unless made in writing and signed by all of the Participating Agencies.

H. Disputes. In any dispute over any aspect of this MOU, the prevailing party shall be entitled to reasonable attorney's fees and costs.

I. Governing Law. This MOU, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of Alameda or Contra Costa County.

J. Existing Agreements. This MOU supplements, and does not replace, any prior or future agreements between any two or more Participating Agencies, including for contracted, shared or cooperative fire prevention and/or emergency medical services .

IN WITNESS WHEREOF, the parties have caused this MOU to be executed effective as of the day and year first above written.

[[SIGNATURE PAGES FOR EACH SIGNATORY AGENCY]]

RESOLUTION 2024-03**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES FIRE PROTECTION DISTRICT TO ENTER INTO A MEMORANDUM OF UNDERSTANDING (MOU) AMONG JURISDICTIONS IN THE EAST BAY HILLS TO FORM A WILDFIRE PREVENTION COORDINATING GROUP TO IMPROVE REGIONWIDE COLLABORATION ON WILDFIRE MITIGATION ACTIVITIES AND TO REDUCE WILDFIRE RISK THROUGHOUT THE EASTBAY HILLS**

WHEREAS, the series of historic wildfires throughout California and the Western United States in recent years demonstrates that the impacts of global climate change will continue to have potentially devastating local effects throughout the region; including habitat destruction, loss of life, economic impacts, infrastructural damage, and public health hazards associated with air quality, and

WHEREAS, reactive approaches to fire management and containment are deployed during times of crisis and overextended local and state resources; and

WHEREAS, the spread of wildfire does not respect political or jurisdictional boundaries; burning embers travel widely and air quality impacts from smoke extend throughout the region; and

WHEREAS, a large portion of the East Bay Region, including the East Bay Hills from Hercules to Fremont, are a CalFire designated high-risk danger zone; and

WHEREAS, a more coordinated approach among jurisdictions and investment in vegetation management and other wildfire prevention programs will help to mitigate the number and severity of wildfire events; and

WHEREAS, regional intergovernmental coordination may prove both more effective and more efficient in developing and implementing best practices, as well as sharing expertise and other resources; and

WHEREAS, the East Bay Region contains more than 20 municipalities, counties, and fire districts, including the Rodeo-Hercules Fire Protection District, that may benefit from a coordinated fire management approach; and

WHEREAS, with support from local community organizations and individuals concerned with wildfire prevention, a group of public officials representing the counties, municipalities and fire districts in the East Bay Hills decided to create a formal structure for interested cities, counties, and fire districts in the East Bay Hills to collaborate and meet their common goals regarding regional wildfire prevention; and

WHEREAS, these public officials have agreed that a Memorandum of Understanding (MOU), which provides the legal basis for the jurisdictions to work together to accomplish agreed upon goals, would be the most efficient and effective legal structure to create this

intergovernmental collaboration, referred to as the “Wildfire Prevention Coordinating Group” (WPCG); and

WHEREAS, the counties of Alameda and Contra Costa, the cities of Berkeley, Oakland, Pinole and Richmond, and the Moraga-Orinda Fire District have all contributed financing to facilitate discussions about forming a WPCG and developing a draft MOU; and

WHEREAS, the participants in the MOU, referred to as Participating Agencies, would themselves decide upon goals, objectives, activities, any required budget and staffing, to support the WPCG; and jurisdictional boundaries between one or more of the Participating Agencies, and

WHEREAS, each Participating Agency would appoint one member and one alternate from its governing body to serve on the WPCG. More specifically, all WPCG members and alternates shall be elected or appointed members of Boards of Supervisors, City, or Town Councils, Boards of Directors, or a functional equivalent; and

WHEREAS, the WPCG will designate one of the Participating Agencies to serve as the WPCG’s “Fiscal Agent” in which role that entity will (i) facilitate ongoing discussions of the WPCG, (ii) serve as the WPCG’s treasurer, and (iii) enter into contracts on behalf of the WPCG, if necessary; and

WHEREAS, signing the MOU and appointing a member to the WPCG would not obligate any Participating Agency to include other Participating Agencies in their individual wildfire prevention and risk mitigation activities; and

WHEREAS, signing the MOU and appointing a member to the WPCG would not alter any of the Participating Agencies’ jurisdictional boundaries, existing cooperative efforts at the staff or Board/Council levels, or substantive legal authorities; and

WHEREAS, the MOU supplements, and does not replace, any prior or future agreements between any two or more Participating Agencies, including for contracted, shared or cooperative fire prevention and/or emergency medical services; and

WHEREAS, at any time and without cause, a Participating Agency may terminate its participation in this MOU by giving sixty (60) days’ prior written notice to the other Participating Agencies;

NOW, THEREFORE, the Board of Directors of the Rodeo-Hercules Fire Protection District does **RESOLVE** that it approves the Memorandum of Understanding between the Rodeo-Hercules Fire Protection District and other Participating Agencies in the East Bay Hills in order to improve collaboration on wildfire prevention activities and improve safety throughout this region and authorizes the Fire Chief to execute the MOU.

IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby

declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsections, sentences, clauses or phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 13th day of March 2024, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Delano Doss, Board Chair

ATTEST:

Kimberly Corcoran, Clerk of the Board

RODEO-HERCULES FIRE PROTECTION DISTRICT**MEMORANDUM**

TO: Board of Directors, RODEO - HERCULES FIRE DISTRICT

FROM: Rebecca Ramirez, INTERIM FIRE CHIEF

DATE: March 13th 2024

SUBJECT: Ordinance to Adopt Updated Fire Prevention Fee Schedule for Engineering Plan Review and Code Enforcement

BACKGROUND:

The Rodeo-Hercules Fire Protection District (the “District”) conducts fire safety inspections, issues permits for specific business operations, and provides plan review and inspection services in accordance with the California Code of Regulations Titles 19 and 24, which include the California Building and Fire Code (CBC, CFC). The California Health and Safety Code authorizes the District to charge reasonable fees in order to recover expenses related to conducting fire and life safety operations. These operations include but are not limited to: required annual fire safety inspections of certain occupancies as required by the Health and Safety Code, plan review and inspections for construction projects, issuing permits for activities identified in the CFC (e.g., operating places of public assembly; high-piled combustible storage, energy storage systems and lithium ion battery storage, and the production and handling of hazardous materials), fire apparatus response for false alarms, and the assignment of standby personnel.

In November of 2022, the Rodeo Hercules Fire Protection District Board of Directors adopted an updated Fire Prevention Fee Schedule. In order to be more properly aligned with the District’s actual costs for the services rendered, a new fee schedule was developed and presented to the Board in January 2024 after which notice of a public hearing was provided as required.

Methodology and Calculation of the Fire Prevention Fees

Each fee was calculated based on the actual costs of providing services associated with code enforcement, inspection, plan review, or other activities. The costs associated with each service are based on an hourly rate, or fractions thereof, and are calculated using historical or projected data regarding the amount of time required to perform each service. Each individual fee was calculated using actual hourly costs for each staff position involved with providing the service associated with the fee and was calculated by including all costs associated with the position such as salary and wages, health care, pensions, and other benefit costs. These hourly costs are referred to as “fully burdened” direct costs.

Portions of the fully burdened personnel costs to oversee and assist in the administration of the services are also included. These administrative overhead fees are considered indirect costs and include costs for fuel, vehicles, equipment, office space, information technology support and equipment.

Revenue from the fees will be used to offset the District's actual costs of providing services for which the fees are charged for administering and enforcing provisions of the California Code of Regulations Titles 19 and 24 which includes the California Fire and Building Codes as directed by the California Health and Safety Code. The fees will be paid by the person(s) or property owner(s) benefiting from the billed services.

New Fee Category

The updated Fire Prevention Fee Schedule also includes standby personnel fees. These fees will offset the cost of providing standby or fire watch, or in some cases extended response for personnel in the interest of public safety as required and approved by the fire code official or Fire Chief in accordance with Section 403.11.1 of the California Fire Code.

These fees were calculated using actual personnel costs for staff associated with a typical single engine/quint response. The hourly rate for a single crew on a Type I or Quint for both direct and indirect costs is approximately \$614/hr and will be the base rate for apparatus response and standby.

Nuisance Fire Alarm Response Fees

The recovery of costs associated with responses and mitigation of nuisance fire alarms is authorized by the California Fire Code (Sec. 401.5.1) as adopted and amended by Ordinance 2024-01 and is triggered upon more than three (3) alarms in a 12-month period. These fees were calculated using actual personnel costs for staff associated with a typical single engine/quint response to a fire alarm incident and resolve the nuisance alarm. These costs were then applied to the average amount of time (30 minutes) required for an emergency response to a fire alarm incident plus an adjustment to administrative duties and follow-up.

Revenue from these fees will be used to cover the District's actual costs of responding to nuisance fire alarms. These fees cover the District's reasonable regulatory costs to enforce the provisions of the California Fire Code.

Comparison to Other Jurisdictions

Other fire jurisdictions were polled with respect to their Fire Prevention Fee Schedules. A total of eleven (11) other fire agencies throughout the Bay Area were surveyed for their fire prevention fee structures for a rank-order comparison. These fire agencies include Albany, El Cerrito, Moraga-Orinda, Benicia, Fairfield, Berkeley, San Ramon, Contra Costa, Richmond, Hayward, Berkeley and Vallejo Fire Departments. In this survey, the District's proposed fees, as preliminarily calculated, are approximately \$213/hr. for plan review and \$220/hr. for inspections, placing the District squarely in the middle of the survey.

The updated fee schedule has rates that are within the range of rates charged in other fire jurisdictions for services similar to those provided by the District and represent a decrease in cost from the previously approved fees.

RECOMMENDATION:

Staff recommend the Board hold a public hearing and adopt Ordinance 2024-01, repealing and replacing Ordinance 2022-02 of the Fire District Fee Schedule relating to the collection of fees for Permits, Engineering/Plan-checking, Code Enforcement, Inspections, Nuisance Alarms and Stand By for the Rodeo Hercules Fire Protection District.

Attachments:

1. Methodology and Calculations for Fee Schedule
2. Exhibit A Engineering Fee Schedule
3. Exhibit B Code Enforcement Fee
4. Ordinance 24-01

FIRE PREVENTION BUREAU PLAN REVIEW FEES
(Supporting Facts for Fire Prevention Bureau Inspection Fee Schedule)
EXHIBIT A

Positions assigned to the Fire Prevention Inspection Bureau:

Fire Marshal/Inspector			
Captain			
Engineer			
Firefighter		Productive Hourly Rate	
Contracted prevention consultant			
<u>Fire Marshal/Inspector</u>			
Monthly Salary & Benefits Cost			
Annual Salary & Benefits Cost	\$	-	
Hourly Costs (2080 hours per year)	\$	80.00	
(Hourly Rate)			\$ 80.00

Contracted prevention consultant - CSG (hourly rates)

Senior Plan Review	\$	135.00	\$ 135.00
			\$ 107.50

Fire Prevention Bureau Total Productive Hourly Rate	\$	107.50
Fire Prevention Bureau Admin Overhead Rate	\$	66.01
Fire prevention Logistical and Technical Overhead Costs	\$	39.40
Fire Prevention Bureau Total Inspection Fee Hourly Rate	\$	213

Vehicle Rates (per hour)

SUV	\$	17.45	(Added in to logistical and technical overhead as base rate)
-----	----	-------	--

FIRE PREVENTION BUREAU INSPECTION FEES
 (Supporting Facts for Fire Prevention Bureau Inspection Fee Schedule)
EXHIBIT B

Positions assigned to the Fire Prevention Inspection Bureau:

- Fire Marshal/Inspector
- Captain
- Engineer
- Firefighter
- Contracted prevention consultant

Productive Hourly Rate

Fire Marshal/Inspector		
Monthly Salary & Benefits Cost		
Annual Salary & Benefits Cost	\$ -	
Hourly Costs (2080 hours per year) (Hourly Rate)	\$ 80.00	\$ 80.00
Captain		
Monthly Salary & Benefits Cost	\$ 32,681.45	
Annual Salary & Benefits Cost	\$ 392,177.38	
Hourly Costs (2912 hours per year) (Hourly Rate)	\$ 134.68	\$ 134.68
Engineer		
Monthly Salary & Benefits Cost	\$ 28,695.21	
Annual Salary & Benefits Cost	\$ 344,342.54	
Hourly Costs (2912 hours per year) (Hourly Rate)	\$ 118.25	\$ 118.25
Firefighter		
Monthly Salary & Benefits Cost	\$ 24,059.04	
Annual Salary & Benefits Cost	\$ 288,708.48	
Hourly Costs (2912 hours per year) (Hourly Rate)	\$ 99.14	\$ 99.14
Contracted prevention consultant - CSG (hourly rates)		
Senior Fire Inspector	\$ 135.00	\$ 135.00
Fire Inspector	\$ 120.00	\$ 120.00
		\$ 114.51
	Fire Prevention Bureau Total Productive Hourly Rate	\$ 114.51
	Fire Prevention Logistical and Technical Overhead Costs	\$ 39.40
	Fire Prevention Bureau Admin Overhead Rate	\$ 66.01
	Fire Prevention Bureau Total Inspection Fee (per hour)	\$ 220

Vehicle Rates (per hour)*

Type I/Quint	\$ 173.47
Type II	\$ 163.55
Type III	\$ 156.74
SUV	\$ 17.45 (Added in to logistical and technical overhead as base rate)

*Per CalOES Rate Letter effective October 1, 2023

**RHFPD
ORDINANCE
2024-01**
Date of
Adoption:
March 13, 2024



**RODEO-HERCULES FIRE PROTECTION DISTRICT
FIRE PREVENTION BUREAU**

SUBJECT: ENGINEERING/PLAN REVIEW - FEE SCHEDULE

Exhibit 'A'

Review Number	PLAN REVIEW	Fee
Preliminary Plan Review - Consultations - Meetings		
In-Office Design Review/Preliminary Plan Consultation Meetings		
1.1	Per half-hour	\$106.50
Out of Office Design and/or Consultation Meetings		
1.2	\$213 per hour, two (2) hour minimum	\$426.00
Subdivisions		
Major Subdivision Plan Review (5 or More Lots/Parcels)		
2.1	Review of subdivision for access, hydrant placement Fee includes two (2) hours plan review and one (1) visual inspection	\$639.00
2.1a	Each additional site inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Minor Subdivision Plan Review (1 to 4 Lots/Parcels)		
2.2	Review of subdivision for access, hydrant placement Fee includes 1/2-hour plan review and one (1) visual inspection	\$319.50
2.2a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Single-Family Home Review - Access and Water Supply		
2.3	Review of plans for access and water supply Fee includes 1/2-hour plan review and one (1) visual inspection , (Does not includes review of fire sprinkler systems - see Section 5.4)	\$106.50
2.3a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Water Supply - Fire Service Mains - Fire Hydrants		
Fire Service - Emergency Repair		
3.1	Review of underground piping, placement and size Fee includes one (1) hour plan review and one (1) visual inspection	\$426.00
3.1a	Each additional inspection, per hour	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Private Fire Service Mains - fire service main installation also requires hydro and flush. See 3.3 & 3.4		
3.2	Minimum plan review base fee of system Fee includes one (1) hour plan review and one (1) visual inspection	\$426.00

3.2a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Flush - Private Fire Service System		
3.3	Minimum inspection base fee Fee includes one (1) hour on-site inspection time	\$213.00
3.3a	Each additional inspection, per hour	\$213.00
Hydrostatic Test - Private Fire Service System		
3.4	Minimum inspection/test base fee Fee includes one (1) hour on-site test time	\$213.00
3.4a	Each additional inspection, per hour	\$213.00
Water Flow Information (office only, no field test required)		
3.5	Fee for water flow information (Fire District information must be current within 6 months)	\$106.50
Water Flow Information Field Test		
3.6	Minimum field test base fee Fee includes field test for available fire flow for hydrant and fire sprinkler systems	\$426.00
3.6a	Additional or multiple flow tests, per 1/2 hour	\$106.50
Rural Water Supply		
3.7	Minimum plan review base fee of tank and underground piping Fee includes one (1) hour plan review and one (1) visual inspection	\$426.00
3.7a	Each additional inspection, per hour	\$213.00
3.7b	Rural water supply flush	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Building Construction - New Buildings and Tenant Improvements		
New Construction or Building Additions Plan Review		
4.1	Minimum plan review base fee Fee includes two (2) hours plan review and one (1) field inspection	\$639.00
4.1a	Plus \$.07 per square foot in excess of 2,000 sq. ft.	\$.07/sq. ft.
4.1b	Additional plan review time, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Tenant Improvement Plan Review (for building additions see 4.1)		
4.2	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
4.2a	Plus \$.07 per square foot in excess of 2,000 sq. ft.	\$.07/sq.ft.
4.2b	Additional plan review time, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Fire Protection Systems		
Tenant Improvement Fire Sprinklers (without calculations)		
5.1	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
5.1a	Plus \$.50 per head in excess of 10 heads	\$.50/sq.ft.
5.1b	Each additional inspection (e.g., weld-o-let, hydro, visual, etc.), per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50

Tenant Improvement Fire Sprinklers (with calculations)		
5.2	Minimum plan review base fee Fee includes 1.5 hours plan review and one (1) field inspection	\$532.50
5.2a	Plus \$.50 per head in excess of 10 heads	\$.50/sq.ft.
5.2b	Each additional inspection (e.g., weld-o-let, hydro, visual, etc.), per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
New Commercial Fire Sprinkler System (13 and 13 R systems)		
5.3	Minimum plan review base fee per riser Fee includes two (2) hours plan review and two (2) field inspections	\$852.00
5.3a	Plus \$.50 per sprinkler head	\$.50/head
5.3b	Each additional inspection (e.g., weld-o-let, hydro, visual, etc.), per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Residential Fire Sprinkler System (single family home)		
5.4	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) water service flush, one (1) overhead hydro and one (1) final inspection	\$426.00
5.4a	Plus \$.50 per sprinkler head	\$.50 /head
5.4b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Residential Fire Sprinkler System (multiple homes)		
5.5	Minimum plan review base fee per model For model only - Fee includes one (1) hour plan review and one (1) water service flush, one (1) overhead hydro and one (1) final inspection	\$532.50
5.5a	Each additional lot (flush, hydrostatic test and final)	\$319.50
5.5b	Each additional inspection, per hour (i.e. models, individual homes)	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Standpipe System		
5.6	Minimum plan review base fee Fee includes plan review and one (1) field inspection	\$639.00
5.6a	Each additional inspection (e.g., hydro, flush, flow test, etc.), per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Fire Protection System (cont.)		
Spray Booth (includes booth and fire extinguishing system)		
5.7	Minimum plan review base fee Fee includes (2) hours plan review and one (1) field inspection	\$426.00
5.7a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Pre-Action Fire Suppression System		
5.8	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) field inspections (Does not include fire alarm review - see Section 6.1)	\$639.00
5.8a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50

Fixed Fire Suppression System- (wet/dry chem, water mist, etc.)		
5.9	Minimum plan review base fee Each additional separate system at same location Fee includes plan review and one (1) field inspection	\$426.00
5.9a	Each additional separate system at location	\$213.00
5.9b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Clean Agent Fire Suppression System		
5.10	Minimum plan review base fee Fee includes one (1) hour plan review and up to three (3) hours of inspection time (Does not include fire alarm review - see Section 6.1)	\$852.00
5.10a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Fire Pump Installation		
5.11	Minimum plan review base fee Fee includes two (2) hours plan review and up to (5) hours of field inspection time (Does not include review of generator or separate fuel storage tank)	\$1491.00
5.11a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Commercial Cooking (Hood and Duct) Fire Suppression System		
5.12	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of inspection time	\$426.00
5.12a	Each additional system review	\$213.00
5.12b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Smoke and Heat Vents		
5.13	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of inspection time	\$426.00
5.13a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Smoke Management/Control System		
5.14	Minimum plan review base fee Fee includes 3 hours plan review and up to 4 hours of field inspection time	\$1491.00
5.14a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Explosion Control (includes: vents, dust collection, etc.)		
5.15	Minimum plan review base fee Fee includes two (2) hours plan review and up to two (2) hours field inspection time	\$852.00
5.15a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Fire Alarm System		
6.1	Minimum plan review base fee Fee includes two (2) hours plan review and up to one (1) hour of field inspection time	\$532.50
6.1a	Plus \$10.00 per initiating and notification device	\$10/device
6.1b	Each additional inspection, per hour	\$213.00

6.1c	Pre-wire inspections, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Dedicated Function Fire Alarm System (i.e. sprinkler monitoring, elevator recall, etc.)		
6.2	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of field inspection time	\$426.00
6.2b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Fire Alarm Panel Replacement Only		
6.3	Minimum plan review base fee Fee includes one (1) hour plan review and up to one (1) hour of field inspection time	\$426.00
6.3b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
High-Rise Fire Alarm (new and/or system upgrade)		
6.4	Minimum plan review base fee Fee includes 4 hours plan review and up to four (4) hours of field inspection time	\$1810.50
6.4a	Plus \$10.00 per initiating and notification device	\$10/device
6.4b	Each additional inspection, per hour	\$213.00
6.4c	Each pre-wire inspection, where required	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Flammable and Combustible Liquids Under/Aboveground Tanks-Piping-Dispensing		
Install Underground Tanks		
7.1	Minimum plan review base fee Fee includes 1 hour plan review of tank location and 1 hour of site inspection time	\$426.00
7.1a	Each additional tank	\$213.00
7.1b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Remove Underground/Aboveground Tank		
7.2	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) hours of inspection/site time	\$639.00
7.2a	Each additional inspection, per hour	\$213.00
Install Aboveground Tank		
7.3	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of site inspection time	\$426.00
7.3a	Each additional tank	\$213.00
7.3b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Abandon Underground Tank in Place		
7.4	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) hours of inspection/site time	\$639.00
7.4a	Each additional inspection/stand-by time, per hour	\$213.00
Environmental Upgrade (vapor recovery and processing systems, spill control, secondary containment and environmental agency requirements)		
7.5	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of inspection time	\$426.00

7.5a	Each additional inspection, per hour	\$213.00
7.5b	Re-submittals or revisions	\$213.00
7.5c	Additional plan review time, per half hour	\$106.50
Apply Interior Coating to Flammable Liquid Tanks		
7.6	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) hours of inspection/site time	\$639.00
7.6a	Each additional inspection/stand-by time per hour	\$213.00
Compressed Gas Systems: LPG-CNG - Medical-Cryogenics		
Container Exchange Programs; LPG Tank Installation Without Dispensing		
8.1	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour of site inspection time	\$426.00
8.1a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
LPG-CNG-Hydrogen (Tank Install and/or Dispensing)		
8.2	Minimum plan review base fee Fee includes 1.5 hours of plan review and two (2) hours of site inspection time	\$639.00
8.2a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Medical or Compressed Gas Systems		
8.3	Minimum plan review base fee Fee includes 1.5 hours plan review and two (2) site inspections	\$639.00
8.3a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Cryogenics Fixed Installation		
8.4	Minimum plan review base fee Fee includes 1.5 hours plan review and two (2) site inspections	\$639.00
8.4a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Compressed Gas Storage		
8.5	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
8.5a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Special Hazards - Hazardous Materials		
Battery Systems		
9.1	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
9.1a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Dust Collection Systems		
9.2	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) site inspections	\$532.50
9.2a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50

Explosives Storage		
9.3	Minimum plan review base fee Fee includes two (2) hours plan review and two (2) site inspections	\$852.00
9.3a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Hazardous Materials Compliance review		
9.4	Minimum review of MSDS, HMMP and/or HMIS submittals Fee includes one (1) hour of review time	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Hazardous Materials - Storage - Dispensing - Open/Closed Systems		
9.5	Minimum plan review base fee Fee includes two (2) hours plan review and two (2) site inspections	\$852.00
9.5a	Each additional system plan review, minimum two (2) hours	\$426.00
9.5b	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Mechanical Refrigeration Systems		
9.6	Minimum plan review base fee Fee includes one (1) hour plan review and two (2) field inspections	\$639.00
9.6a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
High-Pile Rack Storage Systems		
High-Pile or Rack Storage		
10.1	Minimum plan review base fee Fee includes 1.5 hours of plan review and 1.5 hours of site inspection time	\$639.00
10.1a	Additional field inspection time, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Temporary Access Roads & Water Supply		
Install a Temporary Access Road – Residential and Commercial		
11.1	Minimum plan review base fee for one (1) and two (2) homes	\$213.00
11.1a	Minimum plan review for large developments and commercial projects Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
11.1b	Each additional inspection per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Install a Temporary Water Supply System		
12.1	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) hour field inspection	\$426.00
12.1a	Each additional inspection per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50
Miscellaneous Submittals - Alternative Means and Methods		
Miscellaneous Submittals or Plans Review - Plans or submittals not described elsewhere		
13.1	Minimum plan review base fee Fee includes one (1) hour plan review and one (1) field inspection	\$426.00
13.1a	Each additional inspection, per hour	\$213.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50

Alternative Means and Methods Requests or Code Interpretation Review		
13.2	Minimum review base fee Fee includes two (2) hours of plan review/consultation time	\$426.00
17.1	Additional plan review time, per half hour	\$106.50
Expedite Plan Review Requests and Reviews Expedited as a Result of Working without Approved Plans		
13.3	<u>Working without approved plans</u> Minimum plan review fees (overtime), two (2) hours <i>plus applicable plan review fees</i>	\$426.00
13.3a	Additional plan review time, per hour	\$213.00
13.4	<u>Expedited Plans</u> Reviewed after normal business hours, two (2) hours minimum <i>Plus applicable plan review fees</i>	\$426.00
13.4a	Additional plan review time, per hour All revisions will be performed on an expedited/overtime basis at \$213 per hour with a two-hour minimum. Total fees assessed will be the sum of all applicable plan review fees including expedite/overtime fees.	\$213.00
13.5	Demolition Permit Pursuant to Chapter 14, CFC	\$213.00
Copies, Microfilm, Instructional		
Photocopies		
14.1	Minimum fee per page; letter or legal size	\$0.20
Microfilm, Laser Fiche Retrieval		
14.2	Minimum fee per ¼ hour per review	\$11.00
14.2a	Plus \$.20 per page	\$0.20
Copies of Photos		
14.3	\$11.00 per ¼ hour	\$11.00
14.3a	Plus the actual cost of photos	varies
Instructional Services		
14.4	Fees include two (2) hours of instruction service during normal working hours	\$426.00
14.4a	Each additional hour	\$213.00
Additional Charges and Inspection Time		
15.1	Additional inspection time during normal business hours per half hour	\$106.50
15.2	Additional inspection time after normal business hours per hour	\$213.00
15.3	Overtime and weekend inspections Two (2) hour minimum fee	\$426.00
16.1	Re-submittals or revisions	\$213.00
17.1	Additional plan review time, per half hour	\$106.50

Authority

Health & Safety: § 13114, 13131.5, 13143.2 (a, c, d, e), 13145, 13147, 13143.9, 13146 (a) (1) (a), (d), (e), 13862, 13869, 13869.7, 13875, 13916, 17921, 17951, 17962
 Government Code § 6103.7, 6253 (a) Fire District Ordinance No. 2024-01
 Title 19, CCR: § 1.12(a) & 3.28
 California Fire Code: §101.1, 101.2, 101.10, 103.3.3.2.3, 105.1, 105.4, 901.2.2
 NOTE: Fees waived for Non-Profit agencies and Governmental agencies

*Rates will be adjusted based on annual Bay Area CPI increases, OES/FEMA vehicle rates and agreements, consultant contracts and/or MOU agreements

**RHFPD
ORDINANCE
2024-01**
Date of Adoption:
March 13, 2024



**RODEO-HERCULES FIRE PROTECTION DISTRICT
FIRE PREVENTION BUREAU**

SUBJECT:

CODE ENFORCEMENT - FEE SCHEDULE

Exhibit 'B'

	Permit/Activity	Fee
MISCELLANEOUS PERMITS		
MS-1	Aerosol Products Permit to store, manufacture, or handle an aggregate quantity of Level 2 or Level 3 aerosol products in excess of 500 pounds net weight	\$220.00
MS-2	Asbestos Removal Permit to conduct asbestos removal operations	\$220.00
MS-3	Automobile Wrecking or Dismantling Yard Permit to operate an automobile wrecking or dismantling yard	\$440.00
MS-4	Battery Storage Permit to operate stationary lead-acid battery systems having a liquid capacity of more than 50 gallons	\$220.00
MS-5	Cellulose Nitrate Permit for the storage, use or handling in a public assembly	\$330.00
MS-6	Change of Occupancy/Site Inspection/Miscellaneous Inspection	\$275.00
MS-7	Christmas Tree Sales Permit to operate a christmas tree lot with canopies or tents	\$385.00
	Combustible Dust Production Permit to operate facility with combustible dust operations (i.e., cabinet shops, milling & fiberglass cutting/forming operations, etc.)	
MS-8.1	Less than 2500 sq. ft.	\$220.00
MS-8.2	More than 2500 sq. ft.	\$440.00
MS-9	Combustible Fibers Permit for storage/handling of combustible fibers in excess of 100 cu. ft.	\$440.00
MS-10	Compressed Gas Permit for storage/use/handling of compressed gas in excess of amounts in Table 105.5.9 of the CFC	\$275.00
MS-11	Covered Mall Permit for the placement/installation of displays, concession equipment, displays of highly combustible goods, liquid or gas-fired equipment and the use of open-flame equipment in the mall. (i.e., auto displays, etc...)	\$275.00
MS-12	Cryogenics Permit to produce, store, transport on site, use, handle, or dispense cryogenic fluids in excess of the amounts listed in Table 105.5.11 of the CFC.	\$275.00

MS-13	Cutting, Welding and Hot Works Permit to conduct welding, cutting and similar operations using electric or gas equipment.	\$275.00
MS-14	Dry Cleaning Permit to engage in dry cleaning operations or to change to a more hazardous cleaning solvent in existing dry-cleaning equipment.	\$275.00
MS-15	Fire Hydrant- Private Permit to remove from service or the operation of a private fire hydrant. A change to existing hydrant systems requires plan review and approval. (Refer to Engineering fee schedule for appropriate fees).	\$220.00
MS-16	Floor Finishing Permit to use Class I or Class II liquids for the refinishing of floorings in excess of 350 sq. ft.	\$275.00
MS-17	Fumigation and Thermal Fogging Permit to operate a business of fumigation or thermal insecticidal fogging and to maintain a room, vault, or chamber in which a toxic or flammable fumigant is used.	N/C
MS-18.1	High-Piled Storage - Permit to use a building or portion thereof for high-pile storage: In excess of 500 square feet and up to 5,000 sq. ft.	\$440.00
MS-18.2	More than 5,000 sq. ft.	\$660.00
MS-19	Industrial Oven Permit to operate an industrial oven.	\$440.00
MS-20	Lumber Yard Permit for the storage or processing of lumber exceeding 100,000 board feet.	\$440.00
MS-21	Magnesium Permit to melt, heat, cast, or grind more than 10 lbs.	\$330.00
MS-22	Miscellaneous Combustible Storage Permit to store in any building or upon any premises in excess of 2,500 cu. Ft. gross volume of combustible empty packing cases, boxes, barrels or similar containers, rubber tires, rubber, cork, wood or plastic pallets, or similar combustible materials.	\$440.00
MS-23.1	Model Rockets Permit to operate/launch motorized rockets (½ hour minimum site inspection)	\$220.00
MS-23.2	(1/2 hour minimum site inspection)	\$110.00
MS-24	Pyroxylin Plastics Permit for the storage and handling of more than 25 lbs. of cellulose nitrate.	\$220.00
MS-25	Refrigeration Equipment Permit to operate a mechanical refrigeration unit or system.	\$330.00
MS-26	Rooftop Heliport Permit to operate a rooftop heliport.	\$220.00
MS-27.1	Smoke-Control Systems Test - To witness smoke-control testing for atriums, malls or other enclosed occupancies. First hour	\$220.00
MS-27.2	Each additional 1/2 hour	\$110.00
MS-28	Spraying or Dipping Permit to conduct spraying or dipping operations utilizing flammable or combustible liquids or the application of combustible powder.	\$275.00
MS-29	Tire Storage (new) Permit to store tires in excess of 1,000 cubic feet inside buildings (per Chapter 34 of the CFC)	\$275.00

MS-30	Tire Storage and Scrap Tires Permit to establish, conduct or maintain storage of: scrap tires and tire by-products in excess of 2,500 cubic feet of total volume of scrap tires and indoor storage of tires or tire by-products	\$385.00
MS-31	Tire Rebuilding Plant Permit to operate and maintain a tire rebuilding plant.	\$440.00
MS-32	Waste Handling Facility Permit to operate a waste handling facility including: processing and storage of recycled paper, hazardous chemicals, etc.	\$385.00
MS-33	Wood Products Permit to store chips, hogged material, lumber, or plywood in excess of 200 cu.ft.	\$440.00
MS-34	Third or Non-Compliant Inspections Inspection fees for third and/or non-compliant inspections will be assessed at hourly rate	\$220.00
LIQUID PETROLEUM GAS (LPG)		
LG-1.1	LPG Permit for the exchange of cylinders only - no refilling	\$220.00
LG-1.2	Permit to dispense, store, and use LPG	\$275.00
LG-1.3	To operate a plant/facility of 5,000 sq. ft. or less	\$440.00
LG-1.4	Each additional 10,000 sq. ft. or fraction thereof	\$440.00
OUTSIDE EVENTS		
	Carnivals, Fairs, Festivals, Exhibitions Permit to operate a carnival, fair, festival, or exhibition.	
OE-1.1	Inspections conducted during normal work hours (1.25 hrs. minimum)	\$275.00
OE-1.2	Additional inspection time during normal business hours per ½ hour	\$110.00
OE-1.3	Additional inspection time after normal business hours, per hour	\$220.00
OE-1.4	<i>Overtime and weekend inspections:</i> Two-hour minimum fee	\$440.00
TENTS, BOOTHS AND CANOPIES		
	Permit to operate an air-supported or temporary membrane structure including tents and canopies:	
TN-1.1	Tents 401 sq/ft to 699 sq/ft	\$110.00
TN-1.2	Canopies or Tents 700 sq/ft. to 5,000 sq/ft	\$220.00
TN-1.3	Tents greater than 5,000 sq/ft <i>Inspections during normal work hours only</i>	\$330.00
TN-1.4	Additional inspection time during normal business hours, per ½ hour	\$110.00
TN-1.5	Additional inspection time after normal business hours, per hour	\$220.00
TN-1.6	<i>Overtime and weekend inspections:</i> Two-hour minimum fee	\$440.00
TN-2	Extended Period of Use Permit to extend the use of a tent, canopy or air-supported structure for an additional 180 days. (1 Extension of use per structure)	\$220.00

EXPLOSIVES		
	Explosives - Permit to manufacture, store, handle, sell or the use of any quantity of explosives or explosive materials. (For permits regarding fireworks or pyrotechnic special effects refer to Secion FW)	
EX-1.1	Up to 100 lbs	\$385.00
EX-1.2	In excess of 100 lbs	\$660.00
	Gunpowder Sales - Permit for the resale of gunpowder (inspection fees not included. Requires FC-15b.3)	
EX-2.1	Up to 100 lbs.	\$2.00
EX-2.2	Over 100 lbs.	\$10.00
EX-2.3	Inspection time assessed, per ½ hour	\$110.00
	Model Rockets Motors (sales)	
EX-3.1	Permit to sell model rocket motors or launch model rockets in excess of three launches per event. Permits are per site and are effective as long as site conditions remain unchanged.	\$110.00
EX-3.2	Additional site time, per 1/2 hr.	\$110.00
FIREWORKS		
	Fireworks Theatrical or Set Piece	
FW-1.1	Permit to use fireworks, pyrotechnics inside. Inspections during normal work hours (2 hrs. minimum)	\$440.00
FW-1.2	Additional inspection time during normal business hours, per ½ hour	\$110.00
FW-1.3	Additional inspection time after normal business hours, per hour	\$220.00
	Overtime and weekend inspections:	
FW-1.4	Two-hour minimum fee	\$440.00
	Fireworks Aerial Display	
FW-2.1	Permit to use fireworks, pyrotechnics outside. Inspections during normal work hours (2.5 hr. minimum)	\$550.00
FW-2.2	Additional inspection time during normal business hours, per ½ hour	\$110.00
FW-2.3	Additional inspection time after normal business hours, per hour	\$220.00
	Overtime and weekend inspections:	
FW-2.4	Three-hour minimum fee	\$660.00
FLAMMABLE AND COMBUSTIBLE LIQUIDS		
	Flammable/Combustible Liquids - Storage or Use Permit to store, handle or the use of:	
FL-1.1	Class I liquids in excess of 5 gallons - <u>Inside</u>	\$275.00
FL-1.2	Class I liquids in excess of 10 gallons - <u>Outside</u>	\$440.00
FL-1.3	Class II or Class III A liquids in excess of 25 gallons - <u>Inside</u>	\$275.00
FL-1.4	Class II or Class III A liquids in excess of 60 gallons - <u>Outside</u>	\$275.00
	Flammable/Combustible Liquids - (removal)	
FL-2	Permit to remove flammable or Class II combustible liquids from underground tanks by means other than an approved fixed pump	\$275.00
	Flammable/Combustible Liquids/Plants	
FL-3	Permit to operate tank vehicles, wells, fuel-dispensing stations, refineries, distilleries and similar facilities where flammable and combustible liquids are produced, processed, transported, stored, or used	\$385.00

FL-4	Flammable/Combustible Liquids - Out of Service Tank Permit to place temporarily out of service (for more than 90 days) an underground, protected above-ground (vaulted) or aboveground flammable or combustible liquid tank	\$550.00
FL-5	Flammable/Combustible Liquids - Change of Contents Permit to change contents stored in a flammable or combustible liquid tank which poses a greater hazard	\$275.00
FL-6	Flammable/Combustible Liquids – Manufacture Permit to manufacture, process, blend, or refine flammable or combustible liquids	\$385.00
HAZARDOUS MATERIALS		
HZ-1.1	Hazardous Materials Permit to store, transport on site, dispense, use or handle hazardous materials in amounts in excess of Table 105.6.21 (CFC) 1-5 Products	\$220.00
HZ-1.2	5-10 Products	\$550.00
HZ-1.3	11 or more Products	\$1100.00
EX-2.3	HPM Facilities Permit to store, handle or use hazardous production materials.	\$1100.00
ENGINE OR MOTOR VEHICLE REPAIR FACILITIES		
EN-1	Aviation Facilities Permit to use Group-H or Group-S occupancies for aircraft servicing or the repair of aircraft, including aircraft fuel-servicing vehicles. Does not include permits for hot works, flammable/combustible spraying operations or hazardous materials	\$385.00
EN-2.1	Repair Garage Permit to operate an engine or motor vehicle repair garage including: automotive, marine and similar fueled apparatus 1 -4 repair bays	\$275.00
EN-2.2	5 - 8 repair bays	\$330.00
EN-2.3	Greater than 8 repair bays	\$385.00
EN-3	Dispensing/fueling of Motor Vehicles Permit for the refueling of vehicles including: automobiles, marine apparatus/watercraft and fleet motor fuel- dispensing vehicles.	\$385.00
EN-4	Tank Vehicle Dispensing Permit for the fueling of motor vehicles at approved locations from a tank vehicle. Also includes the limited or temporary fueling operations for special events (i.e. the fueling or watercraft from shore, piers, floats, or barges)	\$385.00
PUBLIC ASSEMBLY		
PA-1.1	Public Assemblies Permit to operate and maintain a place of assembly including places of worship, restaurants, dancehalls, etc. Occupancy load: 50-100	\$275.00
PA-1.2	Occupancy load: 101-200	\$385.00
PA-1.3	Occupancy load: 201-299	\$440.00
PA-1.4	Occupancy load: 300 +	\$550.00

PA-2	Open Flames and Candles Permit for the use of open flames inside restaurants, public assemblies and/or drinking establishments	N/C
LICENSED CARE FACILITY		
	24 HOURS Inspection of a 24-hour licensed care facility, including: Social Rehabilitation Facility, Residential Care Facility, Assisted Living, Residential Care Facility for the Elderly, Halfway Houses, Community Correction Centers, Re-entry Centers, Treatment Programs, Work Furlough, Alcoholism or Drug Abuse Recovery/Treatment Facility, Congregate Living Health Facility, Group Homes, Immediate Care Facility, and Infant Care Facility	
LC-1.1	Base fee	\$220.00
LC-1.2	Plus \$ 4.00 per unit/occupant.	\$4.00
LC-1.3	Inspection of a 24-hour Infant Care Facility for children 2 ½ years of age and younger. Base Fee.	\$220.00
LC-1.4	Plus \$ 4.00 per unit/occupant	\$4.00
	LESS THAN 24 HOURS (occupant load greater than six) Permit to operate a facility such as: Adult Day Care, Adult Day Support Center, Child Day Care, Infant Day Care, Large Family Day Care Home	
LC-2.1	Adult or Day Care Facility (non-ambulatory)	\$220.00
LC-2.2	Adult or Child Large Family Day Care	\$220.00
LC-2.3	Adult or Child Day Care Center	\$220.00
LC-2.5	Inspection of a Licensed Clinic	\$220.00
SCHOOLS		
	School (E occupancy) To operate and maintain a school	
SC-1.1	Occupant load less than 50	\$275.00
SC-1.2	Occupant load 50-149	\$440.00
SC-1.3	Occupant load 150-499	\$440.00
SC-1.4	Occupant load 500 or greater	\$660.00
HIGH-RISE/MID-RISE - FIRE & LIFE SYSTEM SAFETY		
HR-1.1	High Rise Inspection of a High-Rise building (State certification inspection) Pre-1974.	\$1760.00
HR-1.2	Inspection of a High-Rise building (State certification inspection) Post-1974.	\$440.00
HR-1.3	Plus \$.006 per sq. ft.	\$0.006
HR-1.4	Mid-Rise Inspection and test of life safety systems (e.g., smoke management), including where such systems are installed in lieu of fire department access or when required for the mitigation of other life safety issues or requirements	\$440.00
HR-1.5	Plus \$.006 per sq. ft.	\$0.006
HOSPITALS – INSTITUTION/JAILS		
IN-1.1	Inspection of Hospitals (medical, surgical, and psychiatric) and Nursing Homes	\$440.00
IN-1.2	Plus \$ 4.00 per patient/bed	\$4.00
IN-1.3	Inspection of Out-Patient Clinics with more than 5 patients	\$220.00
IN-1.4	Plus \$ 4.00 per unit/occupant	\$4.00

IN-1.5	Inspection of police services facilities and DOJ review (includes the approval of Evacuation & Life Safety Procedures)	\$220.00
IN-1.6	Inspection of adult and/or juvenile detention facilities.	\$660.00
MULTI-RESIDENTIAL (hotels, motels, apartments, condominiums)		
	Motel/Hotel	
MR-1.1	Inspection of a hotel or motel	\$330.00
MR-1.2	Plus \$ 4.00 per unit	\$4.00
	Apartments/Condominiums	
MR-1.3	Inspection of apartments or condominiums, three stories or more	\$330.00
MR-1.4	Plus \$ 4.00 per unit	\$4.00
	Inspection of apartments or condominiums, less than three stories:	
MR-1.5	3 – 12 units, base fee	\$110.00
MR-1.6	13 -30 units, base fee	\$110.00
MR-1.7	Plus \$ 3.00 per unit	\$3.00
MR-1.8	31 or more units, base fee	\$110.00
MR-1.9	Plus \$ 4.00 per unit	\$4.00
BURNING PERMIT		
	Agricultural Burn Permit -BAAQMD 5-401.11	
BP-1.1	Range Management	\$110.00
BP-1.2	Open Burning: Recreational-Bonfire Permit	\$220.00
BP-1.3	Religious Service Burn Permit	N/C
GROUP B/M OCCUPANCY INSPECTIONS		
SI-1.1	Inspection of Group B/M Occupancy (1/2 hour of inspection time)	\$110.00
SI-1.2	Additional inspection time, per 1/2 hour	\$110.00
FALSE ALARMS		
Nuisance (Repeated) False Alarms		
FA-1	Engine company response, after three (3) reported false alarms within a 12-month period. Includes: alarm sounding, water-flow alarms, and smoke or heat detectors.	\$613.50
FALSE ALARM/NUISANCE RESPONSE-APPARATUS RESPONSE/STANDBY (PER HOUR)		
RE-1	Type I/Quint*	\$173.47
RE-2	Type II*	\$163.55
RE-3	Type III*	\$156.74
RE-4	Chief Officer	\$167.85
RE-5	Captain	\$134.68
RE-6	Engineer	\$118.25
RE-7	Firefighter	\$99.14
RE-8	Fire Marshal	\$175.00
RE-9	Senior Fire Inspector	\$135.00
RE-10	Fire Inspector	\$120.00
RE-11	Administrative Services Officer	\$97.75
RE-12	Administrative Assistant	\$70.49

HOURLY INSPECTION – OVERTIME -INSTRUCTIONAL RATES		
OT-1.1	Additional inspection or instructional time during normal business hours, per half hour	\$110.00
OT-1.2	Additional inspection time or instructional time after normal business hours, per hour	\$220.00
OT-1.3	Overtime and weekend inspections: Two hour minimum fee	\$440.00
COPY SERVICES		
CO-1.1	Photocopies Letter or legal size, per page	\$0.20

CO-1.2	Laserfiche Retrieval Minimum fee, provides ¼ hour	\$11.00
CO-1.3	Additional time, per ¼ hour	\$11.00
CO-1.4	Plus \$.20 per page	\$0.20
CO-1.5	Copies of Photos Fee per ¼ hour	\$11.00
CO-1.6	Plus actual cost of photos	<i>varies</i>

Authority

Health & Safety Code: §§ 12101, 12640, 13109, 13113, 13116, 13131.5, 13143.2 (b), (c), (d), (e), 13143.9, 13145, 13146(a)(1)(b), (c), (e), 13146.1, 13146.2 (a), (b), 13146.3, 13916, 13235, 13862, 13869, 13869.7, 13875, 13874, 17921, 17948, 17962

Government Code: §§ 6103.7, 6253(b)

California Fire Code: §§ 101.1, 101.2, 103.1, 103.2, 103.3, 105.1, 105.4, 901.2

Title 19, CCR: §§ 1.12, 3.28, 982, 1565.1, 1033, 1034, and 1035.

Fire District Ordinance No. 2024-01.

All incident responses the Rodeo-Hercules Fire District is legally permitted to charge for will be subject to the following fees. Incident response fees are per hour or part thereof by unit. There is a minimum one-hour charge for all responses with the exception of nuisance alarms which are billed at a minimum of thirty (30) minutes or actual time rounded to the nearest hour, whichever is more (from time of response). After the first hour, the charges will be in thirty (30) minute increments. Personnel beyond the normal company complement are charged at hourly rates. Incident response fees include, but are not limited to: mitigation of hazardous materials, standby or fire watch, false alarms due to “failure to notify” when working on or testing systems, trouble alarms due to “failure to notify” when working on or testing systems, or three (3) or more false alarms within a 12-month period.

*Rates will be adjusted based on annual Bay Area CPI increases, OES/FEMA vehicle rates and agreements, consultant contracts and/or MOU agreements



RODEO-HERCULES FIRE PROTECTION DISTRICT
1680 REFUGIO VALLEY ROAD, HERCULES, CALIFORNIA 94547
(510) 799-4561 FAX: (510) 799-0395

ORDINANCE #2024-01

AN ORDINANCE OF THE RODEO-HERCULES FIRE PROTECTION DISTRICT ADOPTING ENGINEERING/PLAN REVIEW, CODE ENFORCEMENT AND PERMITTING FEES

WHEREAS, the Rodeo Hercules Fire Protection District (“District”) reviews building plans and permit applications for compliance with applicable law, including the Fire Code; and

WHEREAS, the Rodeo Hercules Fire Protection District (“District”) inspects businesses and reviews plans for safety and for compliance with applicable law, including the Fire Code; and

WHEREAS, California Health and Safety Code §13916 authorizes the District to adopt a fee or charge to recover the District’s cost of providing a service; and

WHEREAS, the District desires to adopt permit, plan review, inspection, code enforcement, nuisance alarm, response and standby fees, and the amount of such fees or charges will not exceed the cost to the District to perform those services; and

WHEREAS, the District held a duly noticed public hearing to consider the proposed fees on March 13, 2024, at which time all interested parties had the opportunity to be heard.

NOW, THEREFORE, the Board of Directors of the Rodeo-Hercules Fire Protection District does **ORDAIN** as follows:

SECTION I. RECITALS.

The above recitals are hereby declared to be true and correct findings of the Board of Directors of the Rodeo-Hercules Fire Protection District.

SECTION II. AUTHORITY.

This ordinance is enacted, in part, pursuant to California Health and Safety Code §§13910, 13146.2(b), 13217(b), 13869, 13871, 13916(a), 13916(b) and 17951 and Government Code § 6103.7 and article 7 (25120 et seq.) and Ordinance Number 2022-01 (adoption of the 2022 California Fire Code).

SECTION III. FEE ADOPTION.

The Board of Directors of the Rodeo-Hercules Fire Protection District do hereby adopt the fees set forth herein and made a part hereof as Exhibit A and Exhibit B. Each person that applies for, requests or receives a permit, plan review, code enforcement or other service provided by the District shall at the time of such application or request, pay the applicable fee or fees listed in Exhibit “A” Engineering/Plan Review and at time of service pay the applicable fee or fees listed in Exhibit “B” Code Enforcement. An application or request for Engineering/Plan Review is not deemed complete until such times as the applicable fee or fees are paid to the District. As used in this Section, the term “person” means any natural person, firm, association, joint venture, joint stock company, partnership, organization, club, company, corporation, trust or other type of entity.

SECTION IV. ANNUAL CPI INCREASE

Beginning with fiscal year 2024-2025 and for each fiscal year thereafter, the maximum amount of any fee increase set forth in herein shall be the percentage by which the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose area published by the Bureau of Labor Statistics of the United States Department of Labor, or any successor to that index, increased in the twelve months prior to March of the calendar year in which the adjustment is made. In no event shall the fees for any year be less than the amount established for the preceding year.

SECTION V. ANNUAL INCREASE FOR SERVICES

Beginning with fiscal year 2024-2025 and for each fiscal year thereafter, costs for providing services including but not limited to consultant services may be reviewed and recovered by the District for any services described herein.

SECTION VI. ANNUAL FEES; PUBLIC HEARING

The Board of Directors may annually analyze and assess the fees to determine increases.
.Changes to fees shall be accomplished in accordance with applicable law.

SECTION VII. NOTICE AND HEARING.

This ordinance was adopted after a duly noticed public hearing pursuant to the procedures set forth in California Government Code §66016, 66017 and 66018 and California Health and Safety Code §13916.

SECTION VIII. SEVERABILITY

If any fee or provision of this ordinance is held invalid or unenforceable by a court of competent jurisdiction, that holding shall not affect the validity or enforceability of the remaining fees or provisions, and the Board declares that it would have adopted each remaining part of this ordinance irrespective of any such invalidity.

ORDINANCE NO. 2024-01

SECTION IX. EFFECTIVE DATE.

This ordinance becomes effective 60 days after its passage. Within 15 days after its passage, this ordinance shall be published once with the names of the directors voting for and against it in the Contra Costa Times, or other newspaper published in the County and/or the District.

PASSED ON March 13, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Kimberly Corcoran, Clerk of the Board

**CONSULTING SERVICES AGREEMENT BETWEEN
THE RODEO HERCULES FIRE PROTECTION DISTRICT AND
M.E.D. ENTERPRISES INC.
FOR
FIRE DISTRICT ANALYSIS AND OPTIONS FOR PROTECTING SERVICE LEVELS –
CONTRACT EXTENSION**

THIS AGREEMENT for fire district services is made by and between the Rodeo Hercules Fire Protection District (“District”) and M.E.D. Enterprises, Inc. (“Consultant”) (together sometimes referred to as the “Parties”) as of April 1, 2024 (the “Effective Date”).

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to District the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on March 30, 2025, or the date of completion of the Scope of Work in Exhibit A whichever is later, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the District’s right to terminate the Agreement, as referenced in Section 8.
- 1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that District, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from District of such desire of District, reassign such person or persons. Consultant acknowledges and agrees that the persons named in its proposal, as described in Exhibit A, shall be assigned to the District’s engagement.
- 1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Subsection 1.2 above and to satisfy Consultant’s obligations hereunder.
- 1.5 **Reserved**

Section 2. COMPENSATION. District hereby agrees to pay Consultant a sum not to exceed fourteen thousand five hundred dollars and no cents (\$14,500.00), notwithstanding any contrary indications that may be contained in Consultant’s proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Consultant’s proposal, attached as Exhibit A, regarding the amount of compensation, this Agreement shall prevail. District shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner

set forth herein. The payments specified below shall be the only payments from District to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to District in the manner specified herein. Except as specifically authorized by District in writing, Consultant shall not bill District for duplicate services performed by more than one person.

Consultant and District acknowledge and agree that compensation paid by District to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. District therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identification of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At District's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature;
- Consultant shall give separate notice to the District when the total number of hours worked by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours within a 12-month period under this Agreement and any other agreement between Consultant and District. Such notice shall include an estimate of the time necessary to complete work described in Exhibit A and the estimate of time necessary to complete work under any other agreement between Consultant and District, if applicable.

- 2.2 Monthly Payment.** District shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. District shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.
- 2.3 Final Payment.** District shall pay the last 10% of the total sum due pursuant to this Agreement within 60 days after completion of the services and submittal to District of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** District shall pay for the services to be rendered by Consultant pursuant to this Agreement. District shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. District shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed one hundred and forty-five dollars (\$145), as shown on the compensation schedule attached hereto as Exhibit B.
- 2.6 Reimbursable Expenses.** There are no reimbursable expenses.
- 2.7 Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the District or Consultant terminates this Agreement pursuant to Section 8, the District shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. District shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

District shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with District employees and reviewing records and the information in possession of the District. The location, quantity, and time of furnishing those

facilities shall be in the sole discretion of District. In no event shall District be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before fully executing this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to District of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work to the District. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's proposal. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence that such insurance is in effect to District. VERIFICATION OF THE REQUIRED INSURANCE SHALL BE SUBMITTED AND MADE PART OF THIS AGREEMENT PRIOR TO EXECUTION. Consultant shall maintain all required insurance listed herein for the duration of this Agreement.

4.1 Workers' Compensation.

4.1.1 General Requirements. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than \$1,000,000 per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the District for all work performed by the Consultant, its employees, agents, and subcontractors.

4.1.2 Submittal Requirements. To comply with Subsection 4.1, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section; and
- b. Waiver of Subrogation Endorsement as required by the section.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General Requirements.** Consultant , at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than \$1,000,000 and automobile liability insurance for the term of this Agreement in an amount not less than \$1,000,000 per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.
- 4.2.2 Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an “occurrence” basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001, Code 1 (any auto). No endorsement shall be attached limiting the coverage.
- 4.2.3 Additional Requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:
- a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
 - b. District, its officers, officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired, or borrowed by the Consultant .
 - c. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to affect this waiver of subrogation.
 - d. For any claims related to this Agreement or the work hereunder, the Consultant’s insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Consultant’s insurance and shall not contribute with it.
- 4.2.4 Submittal Requirements.** To comply with Subsection 4.2, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section;
- b. Additional Insured Endorsement as required by the section;
- c. Waiver of Subrogation Endorsement as required by the section; and
- d. Primary Insurance Endorsement as required by the section.

4.3 **Professional Liability Insurance.**

4.3.1 General Requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 Claims-Made Limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant shall purchase an extended period coverage for a minimum of 5 years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the District for review prior to the commencement of any work under this Agreement.

4.3.3 Additional Requirements. A certified endorsement to include contractual liability shall be included in the policy.

4.3.4 Submittal Requirements. To comply with Subsection 4.3, Consultant shall submit the Certificate of Liability Insurance in the amounts specified in the section.

4.4 **All Policies Requirements.**

- 4.4.1 Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of Coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish District with complete copies of all Certificates of Liability Insurance delivered to Consultant by the insurer, including complete copies of all endorsements attached to the policies. All copies of Certificates of Liability Insurance and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the District does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them. The District reserves the right to require complete copies of all required insurance policies at any time.
- 4.4.3 Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the written approval of District for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- 4.4.4 Wasting Policies.** No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).
- 4.4.5 Endorsement Requirements.** Each insurance policy required by Section 4 shall be endorsed to state that coverage shall not be canceled by either party, except after 30 days' prior written notice has been provided to the District.
- 4.4.6 Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.5 Remedies.** In addition to any other remedies District may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, District may, at its sole option exercise any of the following remedies, which are alternatives to other remedies District may have and are not the exclusive remedy for Consultant's breach:
- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
 - Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

- Terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES. Refer to the attached Exhibit C, which is incorporated herein and made a part of this Agreement.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of District. District shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise District shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other District, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by District, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of District and entitlement to any contribution to be paid by District for employer contributions and/or employee contributions for PERS benefits.
- 6.2 Consultant Not an Agent.** Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which District is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Consultant represents and warrants to District that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to District that Consultant and

its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from District.

- 7.5 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** District may cancel this Agreement at any time and without cause upon written notification to Consultant .

Consultant may cancel this Agreement upon 2 weeks written notice to District and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; District, however, may condition payment of such compensation upon Consultant delivering to District any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the District in connection with this Agreement.

- 8.2 Extension.** District may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if District grants such an extension, District shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, District shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 Assignment and Subcontracting.** District and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to District for entering into this Agreement was and is the professional reputation and competence of Consultant . Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between District and Consultant shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Consultant .** If Consultant materially breaches any of the terms of this Agreement, District's remedies shall include, but are not limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the reports, work papers and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.6.3** Retain a different Consultant to complete the work described in Exhibit A not finished by Consultant and charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that District would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, work papers, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the District. Consultant hereby agrees to deliver those documents to the District upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the District and are not necessarily suitable for any future or other use. District and Consultant agree that, until final approval by District, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both Parties.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents

evidencing or relating to charges for services or expenditures and disbursements charged to the District under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

- 9.3 Inspection and Audit of Records.** Any records or documents that Subsection 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the District. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of District or as part of any audit of the District, for a period of 3 years after final payment under the Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of District or whose business, regardless of location, would place

Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any District official in the work performed pursuant to this Agreement. No officer or employee of District shall have any financial interest in this Agreement that would violate California Government Code Section 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the District. If Consultant was an employee, agent, appointee, or official of the District in the previous 12 months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of California Government Code Section 1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the District for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of California Government Code Section 1090 *et seq.*, and, if applicable, will be disqualified from holding public office in the State of California.

- 10.8 Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Kimberly Corcoran ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Consultant shall be sent to:

Michael Despain
President/CEO
M.E.D. Enterprises Inc.
7828 Stonewall Ct.
Lincoln, NE 68506

Any written notice to District shall be sent to:

Fire Chief
Rodeo Hercules Fire Protection District
1680 Refugio Valley Road
Hercules, CA 94547

- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A, B, and C represents the entire and integrated agreement between District and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

<u>Exhibit A</u>	Scope of Services
<u>Exhibit B</u>	Compensation Schedule & Reimbursable Expenses
<u>Exhibit C</u>	Indemnification

10.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

SIGNATURES ON FOLLOWING PAGE

The Parties have executed this Agreement as of the Effective Date. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

RODEO HERCULES FIRE DISTRICT

M.E.D. ENTERPRISES INC.

FIRE CHIEF REBECCA RAMIREZ

MICHAEL DESPAIN

Attest:

Kimberly Corcoran, District Secretary

EXHIBIT A**SCOPE OF SERVICES**

The scope of services is as attached, amended as follows:

- 1) Aid the Board in developing and evaluating any Request for Proposals (RFP) related to the Protection of Service Levels project.
- 2) If needed, aid the Board in exploring the feasibility and impacts of an annexation into the Contra Costa County Fire Protection District. Act as liaison with Contra Costa County LAFCo.
- 3) If needed, assist the Board in an evaluation of options between any RFP responses related to service contracts and/or annexation.
- 4) Aid the Board and Fire Chief in achieving key outcome measurements and supporting goals listed within the RHFD 2022-2027 strategic plan.
- 5) Facilitate presentations to the public (including but not limited to town halls), as needed.
- 6) Provide professional development presentations to officers, rank and file, support staff, etc., as needed.
- 7) Provide Chief Fire Officer level administrative support to the Board and Fire Chief, as needed.

EXHIBIT B

COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES

1. Compensation during the contract period shall not to exceed fourteen thousand five hundred dollars and no cents (\$14,500.00)
2. Fees for work performed by Consultant on an hourly basis shall not exceed one hundred and forty-five dollars (\$145/hr).

EXHIBIT C**INDEMNIFICATION**

Consultant shall indemnify, defend with counsel acceptable to District, and hold harmless District and its officers, elected officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services called for or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the active negligence or willful misconduct of District.

The Consultant's obligation to defend and indemnify shall not be excused because of the Consultant's inability to evaluate Liability or because the Consultant evaluates Liability and determines that the Consultant is not liable to the claimant. The Consultant must respond within 30 days to the tender of any claim for defense and indemnity by the District. If the Consultant fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Consultant under and by virtue of this Agreement as shall reasonably be considered necessary by the District, may be retained by the District until disposition has been made of the claim or suit for damages, or until the Consultant accepts or rejects the tender of defense, whichever occurs first.

RESOLUTION 2024-04**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES FIRE PROTECTION DISTRICT APPROVING THE AGREEMENT BETWEEN THE DISTRICT AND M.E.D. ENTERPRISES INC. FOR CONSULTING SERVICES**

WHEREAS, the District desires to enter into a consulting services agreement for fire district analysis and options for protecting service levels with M.E.D. Enterprises, Inc.

NOW, THEREFORE, the Board of Directors of the Rodeo-Hercules Fire Protection District does **RESOLVE** as follows:

1. That the consulting services agreement (“Agreement”) with M.E.D. Enterprises Inc. to provide fire district analysis and options for protecting service levels in the amount of \$14,500.00, attached hereto and incorporated herein as Exhibit 1 is approved, and Interim Fire Chief Rebecca Ramirez is authorized to execute the Agreement.
2. The District Board of Directors hereby authorizes the Interim Fire Chief to take any and all actions necessary to carry out the intent of this Resolution.

IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsections, sentences, clauses or phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 13th day of March 2024, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Delano Doss, Board Chair

ATTEST:

Kimberly Corcoran, Clerk of the Board

RODEO-HERCULES FIRE PROTECTION DISTRICT**MEMORANDUM**

TO: Board of Directors, RODEO - HERCULES FIRE DISTRICT

FROM: Rebecca Ramirez, INTERIM FIRE CHIEF

DATE: March 13, 2024

SUBJECT: Agreement for Financial Services Strategic Advisory Services

RECOMMENDATION

It is recommended that the Board of Directors adopt a resolution approving and authorizing the Fire Chief to execute a Financial Services Agreement with Strategic Advisory Services (SSA) with Mr. Mike Oliver as the project manager and Mr. Getachew Demeku-Ousman to continue serving as financial consultant, adding Patty Kong for additional support..

BACKGROUND/DISCUSSION

The Rodeo Hercules Fire District staff prepares the District's annual budget and audit through a collaborative process with a financial consulting firm. The firm provides accounting, reconciliation, audit, budget preparation and oversight assistance to staff. For the past several years, Municipal Resources Group (MRG) with Mr. Mike Oliver as the project manager and Mr. Getachew Demeku-Ousman as the direct consultant has served as the financial consultant.

In July of 2023 the principal party, Mr. Oliver, established a separate and independent financial consulting firm-Strategic Advisory Services (SSA). The District continued services under SSA using Mr. Oliver and Mr. Demeku-Ousman without interruption and with no changes in fees (\$41,200 annually as approved in the 2023-24 budget process)

To validate and effectively forecast increasingly complex retirement costs, provide resiliency and back up for the present staff and consulting team, an additional consultant with an expanded expertise, including actuarial services, is prudent. As the 2024-25 budget approaches, an updated contract with SSA to include additional actuarial and budget development services on an as needed basis is recommended.

FISCAL IMPACT

The Proposal is on a not-to-exceed basis of \$48,750.00 per year. This represents an annual increase of \$7,550. While some fiscal impact may be incurred in FY 2023-24 no additional funds are being requested. Additional ongoing funding will be included during the 2024-25 FY budget request.

RECCOMENDATION

Staff recommends the Board adopt the resolution that approves and authorizes the Fire Chief to execute a Financial Services Agreement with Strategic Advisory Services on a not-to-exceed basis of \$48,750.00 per year.

ATTACHMENTS

1. SSA Proposal Work Scope 2023-25
2. Financial Services Agreement with Strategic Advisory Services
3. Resolution 2024-05

Rodeo Hercules Fire District



Proposal to Provide Fiscal and Accounting Assistance for the Rodeo Hercules Fire District



A. PROJECT OVERVIEW

The Rodeo Hercules Fire District (RHFD) requested Strategic Advisory Services (SAS) submit a proposal to assist the District in managing its financial activities including implementation of the Budget, and assisting in preparation of the annual budget and audit; and assisting in preparation of quarterly financial reports to the District Board, financial forecasting and long-term projections, Proposition 172 compliance and monitoring of the Hercules Redevelopment Successor agency.

District staff has also requested additional assistance with particular areas of the District's finances including assistance in analyzing and addressing the Contra Costa County Employees Retirement Association actuarial calculations and the resulting rates charged to the District. In addition, we are proposing to provide an overview analysis and recommendations regarding the District's budgeting practices.

This Work Scope is designed to provide wide range ongoing technical assistance to the District Staff in their financial activities.

B. WORK SCOPE

1. Conduct meetings with Staff on the Budget and prepare Quarterly Financial Reports to the District Board ongoing basis:

SAS will prepare a budget calendar for the 2024-25 budget and as part of the Budget development process SAS will conduct meetings with staff, Board Finance Sub-committee (ad hoc). As part of the implementation of the 2023-24 District Budget SAS will prepare and present Quarterly Financial Reports to the Board for review and approval ongoing basis.

2. Implementation of the 2023-24 Budget and Preparation and Implementation of the 2024-25 Budget:

The District's Budget contains a number of activities involving the management of the District's financial reporting, accounting and purchasing. SAS will work with staff in the preparation of these materials and insure they are adequately and accurately implemented. Present budget materials to the Board during preparation process and make sure District Revenue and expenditures are estimated accurately. In addition, the following tasks are included:

- Gather information or data from other agencies including CCCERA, Contra Costa County, Tax Assessor Office or the County Auditor Controller Office on behalf of the District.
- Confirm Departmental input on salaries, benefits, services, supplies and debt.
- Prepare Budget Summaries, develop presentation materials to the Board of Directors and Finance ad hoc committee.
- Present Draft Budget (with the Fire Chief) to Board of Directors.



3. Management and Maintenance of the QuickBooks Accounting System

The District has implemented QuickBooks as its accounting system. The system is designed to independently track the district revenue and expenditures and to reconcile against the Contra Costa County Auditor's office record. SAS will assist in insuring the District's data entry for revenue and expenditure recorded in accordance with Generally Accepted Accounting Principles and maintained in an up to date manner.

4. Addressing the District's Retirement Costs and Providing Analytic Budget Information

SAS will provide assistance in analyzing and addressing the Contra Costa County Employees Retirement Association actuarial calculations and the resulting rates charged to the District. In addition, we will provide an overview analysis and recommendations regarding the District's budgeting practices.

C. PROJECT TIMING

Strategic Advisory Services is available to continue the engagement upon contract approval. It is anticipated the project will continue for the period July 1, 2023 through June 30, 2025.

D. PROJECT PERSONNEL

Getachew Demeku-Ousman and Patty Kong are the consultants assigned to this project. Mr. Oliver will serve as project manager.

E. PROJECT BUDGET

The Work Scope assumes approximately 300 hours of assistance by Mr. Demeku-Ousman and 30 hours by Ms. Kong. The number of hours per month will be about 30 hours per month allocated throughout the year.

The Proposal is on a not-to-exceed basis of \$48,750.00 per year. If additional project work is requested, it will be billed at the normal hourly rate.

Mr. Demeku-Ousman's hourly rate is \$140.00

Ms. Kong's hourly rate is \$225.00

Consultant Services are invoiced on an hourly basis according to staff hourly rates. Reimbursable expenses are invoiced at actual cost, including round-trip mileage at IRS rates. Invoices are processed quarterly.



Mike Oliver – Managing Consultant, Organizational Intervention, Realignment & Development

Mike Oliver leads Strategic Advisory Services as its Founder and President. Mike's MRG services to public sector clients include:

- fiscal and operational analysis;
- service realignment and enhancement;
- law enforcement services studies for cities and counties;
- preparation of grand jury investigation responses; and
- alternative service delivery options for local governments.



Mike often serves clients by leading specialist teams in financial interventions, forensic accounting and budget analysis projects. He has assisted a number of cities in restoring their fiscal integrity and addressing the financial challenges facing California's local governments. His consulting activities include developing long-term development strategies for specialty public agencies including county fairs and transportation agencies. Mike often conducts public input and visioning processes and presents findings to elected officials and employees. With over 17 years of consulting experience, Mike has a recognized track record of assisting clients in addressing complex issues.

Mike has served as the City Manager of the Cities of Oakley, Citrus Heights and San Leandro. When Mike was the City Manager of San Leandro, the City created the first joint city-county redevelopment area in the state, induced over 500,000 square feet of commercial development and consolidated the City's Fire Operation with the Alameda County Fire Department. During his tenure as the first City Manager of Citrus Heights the City hired staff, negotiated a police services agreement, established the City's fiscal and expenditure management policies and practices, created the first redevelopment agency and negotiated settlement of the County's \$147 million lawsuit against the City. Today, Citrus Heights has over \$35 million in unencumbered reserves. During his tenure as the first City Manager of the City of Oakley, the City hired staff, built its City Hall, approved the general plan, approved 6,000 residential units and annexed over 2,500 acres of adjacent land.

Mike has presented at League of California Cities, Cal-LAFCO, California Special District and Bond Buyers conferences and professional organizations on a wide variety of subjects. His most recent presentations focus on the options for alternative service delivery and the fiscal issues faced by local government. Mike has his Bachelor's Degree in Political Science and Master's Degree in Public Administration from California State University at Hayward. He has also attended the Senior Government Officials course at the Kennedy School, Harvard College and has participated in training courses at the Menninger Clinic in Topeka, Kansas.



Getachew Demeku-Ousman – Finance and Management Services



Getachew Demeku provides advice and counseling to local government agencies in the areas of Finance and Management services. Getachew has over 20 years of experience in accounting, budgeting and financial management.



During the past eight years, Getachew has acted as an independent consultant providing services to municipalities in the Bay Area. He assists agencies in the development, implementation and management of accounting policies and procedures. Getachew has often assisted clients in internal audits, management of complex projects and advising Managing Directors and Finance Directors on financial matters.

Getachew has served as Finance Director in the City of Hercules, Project Manager in the City of Richmond, Senior Budget Analyst for Berkeley Unified School District, and Senior Management Analyst for the City of Lathrop. He has also accumulated several years of experience in managerial positions in Fortune 500 companies such as Baxter Healthcare Corporation (Novcor) Ameritech Corporation and Sims Metal America.

In addition to his significant practical experience with major clients, Getachew has been an Accounting and Finance Instructor at University of Phoenix. Getachew earned double-major undergraduate degrees in Economics and Commerce from the University of Toronto, and an MBA from the University of Phoenix, specializing in Business Administration.



Patty Kong – Finance, Accounting and Management Services

Patty Kong is an experienced local governmental finance professional with over 30 years of experience. During that time she has developed skills in Strategic Financial Planning, Policy Development, Bond Issuance, Lease Negotiations, System Acquisition and Implementations, Revenue Measures, Contract Reviews, Request for Proposals, Budgeting and Forecasting, Treasury, Revenue, Billing and Collections, Accounting and Payroll. Patty is a collaborator, organizer and problem solver.



Prior to providing consulting services for government agencies, Patty was the Finance and Administrative Services Director for the City of Mountain View. During her tenure at the City of Mountain View, she guided the city through three major economic downturns, including the “Great Recession” with balanced General Fund budgets. She has worked with all departments to achieve citywide goals, provided financial information and training to Councils, management, staff, citizens and labor unions on topics of budget, ACFR, debt, reserves, retirees’ health, and CalPERS. She developed and implemented strategies for the funding of long term obligations for retirees’ health and CalPERS.

She was responsible for utility rate setting which included rate studies and cost of services analysis. She also worked on the successful dissolution of the redevelopment agency and was the lead person for financial services during the creation of a 12 agency joint community choice energy, Silicon Valley Clean Energy. During her tenure at the City of Mountain View the city received 28 years of award winning budgets and ACFRs.

Patty has experience in requests for proposals, for a variety of services including audits, land development, consultant services and system acquisitions and implementations. She has completed successful system implementations including enterprise-wide financial systems, on-line purchasing system, utility billing, payroll, on-line time reporting, and on-line purchasing cards. In conjunction with all system implementations a review of procedures was performed and policies and procedures developed. She has also participated in retirees’ health analysis for conversion to CalPERS Health, FLSA reviews and two lengthy negotiations for long term leases of city owned properties securing long term revenues for the city.

Prior to working for the City of Mountain View, Patty was a manager at the international public accounting firm of KPMG. At KPMG, Patty worked on several government engagements and provided consulting services to improve operational efficiencies and developed policies and procedures. Patty is a Certified Public Accountant and has a Bachelor of Science degree in Business Administration with a concentration in Accounting from San Jose State University.



**CONSULTING SERVICES AGREEMENT BETWEEN
THE RODEO HERCULES FIRE PROTECTION DISTRICT AND
STRATEGIC ADVISORY SERVICES TO PROVIDE FISCAL ACCOUNTING ASSISTANCE**

THIS AGREEMENT for professional fiscal and accounting assistance is made by and between the Rodeo Hercules Fire Protection District (“District”) and Strategic Advisory Services (“Consultant”) (together sometimes referred to as the “Parties”) as of July 1, 2023 (the “Effective Date”).

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to District the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

- 1.1 Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2025, or the date of completion of the Scope of Work in Exhibit A whichever is later, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the District’s right to terminate the Agreement, as referenced in Section 8.
- 1.2 Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.
- 1.3 Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that District, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from District of such desire of District, reassign such person or persons. Consultant acknowledges and agrees that the persons named in its proposal, as described in Exhibit A, shall be assigned to the District’s engagement.
- 1.4 Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Subsection 1.2 above and to satisfy Consultant’s obligations hereunder.
- 1.5 Reserved**

Section 2. COMPENSATION. District hereby agrees to pay Consultant a sum not to exceed forty eight thousand seven hundred fifty dollars and no cents (\$48,750.00), notwithstanding any contrary indications that may be contained in Consultant’s proposal, for services to be performed and reimbursable costs incurred under this Agreement as described in Exhibit B. In the event of a conflict between this Agreement and Consultant’s proposal, attached as Exhibit A, regarding the amount of compensation, this Agreement shall prevail.

District shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from District to Consultant for

services rendered pursuant to this Agreement. Consultant shall submit all invoices to District in the manner specified herein. Except as specifically authorized by District in writing, Consultant shall not bill District for duplicate services performed by more than one person.

Consultant and District acknowledge and agree that compensation paid by District to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. District therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identification of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At District's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature;
- Consultant shall give separate notice to the District when the total number of hours worked by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 300 hours within a 12-month period under this Agreement and any other agreement between Consultant and District. Such notice shall include an estimate of the time necessary to complete work described in Exhibit A and the estimate of time necessary to complete work under any other agreement between Consultant and District, if applicable.

- 2.2 Monthly Payment.** District shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. District shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.
- 2.3 Final Payment.** District shall pay the last 10% of the total sum due pursuant to this Agreement within 60 days after completion of the services and submittal to District of a final invoice, if all services required have been satisfactorily performed.
- 2.4 Total Payment.** District shall pay for the services to be rendered by Consultant pursuant to this Agreement. District shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. District shall make no payment for any extra, further, or additional service pursuant to this Agreement.
- In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.
- 2.5 Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the compensation schedule attached hereto as Exhibit B.
- 2.6 Reimbursable Expenses.** There are no reimbursable expenses.
- 2.7 Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.
- 2.8 Payment upon Termination.** In the event that the District or Consultant terminates this Agreement pursuant to Section 8, the District shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets to verify costs incurred to that date.
- 2.9 Authorization to Perform Services.** Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. District shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

District shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with District employees and reviewing records and the information in possession of the District. The location, quantity, and time of furnishing those

facilities shall be in the sole discretion of District. In no event shall District be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before fully executing this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to District of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work to the District. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's proposal. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence that such insurance is in effect to District. VERIFICATION OF THE REQUIRED INSURANCE SHALL BE SUBMITTED AND MADE PART OF THIS AGREEMENT PRIOR TO EXECUTION. Consultant shall maintain all required insurance listed herein for the duration of this Agreement.

4.1 Workers' Compensation.

4.1.1 General Requirements. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than \$1,000,000 per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the District for all work performed by the Consultant, its employees, agents, and subcontractors.

4.1.2 Submittal Requirements. To comply with Subsection 4.1, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section; and
- b. Waiver of Subrogation Endorsement as required by the section.

4.2 Commercial General and Automobile Liability Insurance.

- 4.2.1 General Requirements.** Consultant , at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than \$1,000,000 and automobile liability insurance for the term of this Agreement in an amount not less than \$1,000,000 per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.
- 4.2.2 Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an “occurrence” basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001, Code 1 (any auto). No endorsement shall be attached limiting the coverage.
- 4.2.3 Additional Requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:
- a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
 - b. District, its officers, officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired, or borrowed by the Consultant .
 - c. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to affect this waiver of subrogation.
 - d. For any claims related to this Agreement or the work hereunder, the Consultant’s insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be excess of the Consultant’s insurance and shall not contribute with it.
- 4.2.4 Submittal Requirements.** To comply with Subsection 4.2, Consultant shall submit the following:

- a. Certificate of Liability Insurance in the amounts specified in the section;
- b. Additional Insured Endorsement as required by the section;
- c. Waiver of Subrogation Endorsement as required by the section; and
- d. Primary Insurance Endorsement as required by the section.

4.3 **Professional Liability Insurance.**

4.3.1 General Requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than \$1,000,000 covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed \$150,000 per claim.

4.3.2 Claims-Made Limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

- a. The retroactive date of the policy must be shown and must be before the date of the Agreement.
- b. Insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of the Agreement or the work, so long as commercially available at reasonable rates.
- c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant shall purchase an extended period coverage for a minimum of 5 years after completion of work under this Agreement.
- d. A copy of the claim reporting requirements must be submitted to the District for review prior to the commencement of any work under this Agreement.

4.3.3 Additional Requirements. A certified endorsement to include contractual liability shall be included in the policy.

4.3.4 Submittal Requirements. To comply with Subsection 4.3, Consultant shall submit the Certificate of Liability Insurance in the amounts specified in the section.

4.4 **All Policies Requirements.**

- 4.4.1 Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.
- 4.4.2 Verification of Coverage.** Prior to beginning any work under this Agreement, Consultant shall furnish District with complete copies of all Certificates of Liability Insurance delivered to Consultant by the insurer, including complete copies of all endorsements attached to the policies. All copies of Certificates of Liability Insurance and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the District does not receive the required insurance documents prior to the Consultant beginning work, it shall not waive the Consultant's obligation to provide them. The District reserves the right to require complete copies of all required insurance policies at any time.
- 4.4.3 Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the written approval of District for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the District, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, employees, and volunteers; or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- 4.4.4 Wasting Policies.** No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).
- 4.4.5 Endorsement Requirements.** Each insurance policy required by Section 4 shall be endorsed to state that coverage shall not be canceled by either party, except after 30 days' prior written notice has been provided to the District.
- 4.4.6 Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- 4.5 Remedies.** In addition to any other remedies District may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, District may, at its sole option exercise any of the following remedies, which are alternatives to other remedies District may have and are not the exclusive remedy for Consultant's breach:
- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
 - Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or

- Terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES. Refer to the attached Exhibit C, which is incorporated herein and made a part of this Agreement.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of District. District shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise District shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other District, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by District, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of District and entitlement to any contribution to be paid by District for employer contributions and/or employee contributions for PERS benefits.
- 6.2 Consultant Not an Agent.** Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to the Americans with Disabilities Act, and any copyright, patent or trademark law. Consultant's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which District is bound by the terms of such fiscal assistance program.
- 7.4 Licenses and Permits.** Consultant represents and warrants to District that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to District that Consultant and

its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from District.

- 7.5 Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 Termination.** District may cancel this Agreement at any time and without cause upon written notification to Consultant .

Consultant may cancel this Agreement upon 2 weeks written notice to District and shall include in such notice the reasons for cancellation.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; District, however, may condition payment of such compensation upon Consultant delivering to District any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the District in connection with this Agreement.

- 8.2 Extension.** District may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if District grants such an extension, District shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, District shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

- 8.3 Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

- 8.4 Assignment and Subcontracting.** District and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to District for entering into this Agreement was and is the professional reputation and competence of Consultant . Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.
- 8.5 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between District and Consultant shall survive the termination of this Agreement.
- 8.6 Options upon Breach by Consultant .** If Consultant materially breaches any of the terms of this Agreement, District's remedies shall include, but are not limited to, the following:
- 8.6.1** Immediately terminate the Agreement;
 - 8.6.2** Retain the reports, work papers and any other work product prepared by Consultant pursuant to this Agreement;
 - 8.6.3** Retain a different Consultant to complete the work described in Exhibit A not finished by Consultant and charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that District would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

- 9.1 Records Created as Part of Consultant's Performance.** All reports, work papers, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the District. Consultant hereby agrees to deliver those documents to the District upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the District and are not necessarily suitable for any future or other use. District and Consultant agree that, until final approval by District, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both Parties.
- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents

evidencing or relating to charges for services or expenditures and disbursements charged to the District under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

- 9.3 Inspection and Audit of Records.** Any records or documents that Subsection 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the District. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds \$10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of District or as part of any audit of the District, for a period of 3 years after final payment under the Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.
- 10.5 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.
- 10.6 Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of District or whose business, regardless of location, would place

Consultant in a “conflict of interest,” as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any District official in the work performed pursuant to this Agreement. No officer or employee of District shall have any financial interest in this Agreement that would violate California Government Code Section 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the District. If Consultant was an employee, agent, appointee, or official of the District in the previous 12 months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of California Government Code Section 1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the District for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of California Government Code Section 1090 *et seq.*, and, if applicable, will be disqualified from holding public office in the State of California.

- 10.8 Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 Contract Administration.** This Agreement shall be administered by Kimberly Corcoran ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 Notices.** Any written notice to Consultant shall be sent to:

Mike Oliver
 President/CEO
 Strategic Advisory Services
 P.O. Box 848
 Danville, CA 94526

Any written notice to District shall be sent to:

Fire Chief
 Rodeo Hercules Fire Protection District
 1680 Refugio Valley Road
 Hercules, CA 94547

- 10.12 Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A, B, and C represents the entire and integrated agreement between District and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

<u>Exhibit A</u>	Scope of Services
<u>Exhibit B</u>	Compensation Schedule & Reimbursable Expenses
<u>Exhibit C</u>	Indemnification

- 10.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

SIGNATURES ON FOLLOWING PAGE

The Parties have executed this Agreement as of the Effective Date. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

RODEO HERCULES FIRE DISTRICT

STRATEGIC ADVISORY SERVICES

FIRE CHIEF REBECCA RAMIREZ

MIKE OLIVER

Attest:

Kimberly Corcoran, District Secretary

EXHIBIT A**SCOPE OF SERVICES****A. PROJECT OVERVIEW**

The Rodeo Hercules Fire District (RHFD) requested Strategic Advisory Services (SAS) submit a proposal to assist the District in managing its financial activities including implementation of the Budget, and assisting in preparation of the annual budget and audit; and assisting in preparation of quarterly financial reports to the District Board, financial forecasting and long-term projections, Proposition 172 compliance and monitoring of the Hercules Redevelopment Successor agency.

District staff has also requested additional assistance with particular areas of the District's finances including assistance in analyzing and addressing the Contra Costa County Employees Retirement Association actuarial calculations and the resulting rates charged to the District. In addition, we are proposing to provide an overview analysis and recommendations regarding the District's budgeting practices.

This Work Scope is designed to provide wide ranging and ongoing technical assistance to District Staff in their financial activities.

B. WORK SCOPE**1. Conduct meetings with Staff on the Budget and prepare Quarterly Financial Reports to the District Board on an ongoing basis:**

SAS will prepare a budget calendar for the 2024-2025 budget and as part of the Budget development process SAS will conduct meetings with staff, Board Finance Sub-committee (ad hoc). As part of the implementation of the 2023-2024 District Budget SAS will prepare and present Quarterly Financial Reports to the Board for review and approval ongoing basis.

2. Implementation of the 2023-2024 Budget and Preparation and Implementation of the 2024-2025 Budget:

The District's Budget contains a number of activities involving the management of the District's financial reporting, accounting and purchasing. SAS will work with staff in the preparation of these materials and insure they are adequately and accurately implemented. Present budget materials to the Board during preparation process and make sure District revenue and expenditures are estimated accurately. In addition, the following tasks are included:

- Gather information or data from other agencies including CCCERA, Contra Costa County Tax Assessor's Office or the County Auditor Controller's Office on behalf of the District.
- Confirm Departmental input on salaries, benefits, services, supplies and debt.
- Prepare Budget Summaries, develop presentation materials to the Board of Directors and Finance ad hoc committee.
- Present Draft Budget (with the Fire Chief) to Board of Directors.

3. Management and Maintenance of the QuickBooks Accounting System

The District has implemented QuickBooks as its accounting system. The system is designed to independently track the district revenue and expenditures and to reconcile against the Contra Costa County Auditor's records. SAS will assist in insuring the District's data entry for revenue and expenditure recorded in accordance with Generally Accepted Accounting Principles and maintained in an up to date manner.

4. Addressing the District's Retirement Costs and Providing Analytic Budget Information

SAS will provide assistance in analyzing and addressing the Contra Costa County Employees Retirement Association actuarial calculations and the resulting rates charged to the District. In addition, SAS will provide an overview analysis and recommendations regarding the District's budgeting practices.

C. PROJECT TIMING

Strategic Advisory Services is available to continue the engagement upon contract approval. It is anticipated the project will continue for the period July 1, 2023 through June 30, 2025.

D. PROJECT PERSONNEL

Getachew Demeku-Ousman and Patty Kong are the consultants assigned to this project. Mr. Oliver will serve as project manager.

EXHIBIT B**COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES****A. PROJECT BUDGET**

The Work Scope assumes approximately 300 hours of assistance by Mr. Demeku-Ousman and 30 hours by Ms. Kong. The number of hours per month will be about 30 hours per month allocated throughout the year.

The Proposal is on a not-to-exceed basis of \$48,750.00 per year. If additional project work is requested, it will be billed at the normal hourly rate.

Mr. Demeku-Ousman's hourly rate is \$140.00

Ms. Kong's hourly rate is \$225.00

Consultant Services are invoiced on an hourly basis according to staff hourly rates. Reimbursable expenses are invoiced at actual cost, including round-trip mileage at IRS rates. Invoices are processed quarterly.

EXHIBIT C**INDEMNIFICATION**

Consultant shall indemnify, defend with counsel acceptable to District, and hold harmless District and its officers, elected officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services called for or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the active negligence or willful misconduct of District.

The Consultant's obligation to defend and indemnify shall not be excused because of the Consultant's inability to evaluate Liability or because the Consultant evaluates Liability and determines that the Consultant is not liable to the claimant. The Consultant must respond within 30 days to the tender of any claim for defense and indemnity by the District. If the Consultant fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Consultant under and by virtue of this Agreement as shall reasonably be considered necessary by the District, may be retained by the District until disposition has been made of the claim or suit for damages, or until the Consultant accepts or rejects the tender of defense, whichever occurs first.

5664849.1

RESOLUTION 2024-05**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES FIRE PROTECTION DISTRICT APPROVING THE AGREEMENT BETWEEN THE DISTRICT AND STRATEGIC ADVISORY SERVICES FOR FINANCIAL SERVICES**

WHEREAS, the District desires to enter into a financial services agreement for financial consulting assistance with Strategic Advisory Services.

NOW, THEREFORE, the Board of Directors of the Rodeo-Hercules Fire Protection District does **RESOLVE** as follows:

1. That the financial services agreement (“Agreement”) with Strategic Advisory Services to provide financial consulting assistance in the amount of \$48,750 per year, attached hereto and incorporated herein as Exhibit 1 is approved, and Interim Fire Chief Rebecca Ramirez is authorized to execute the Agreement.
2. The District Board of Directors hereby authorizes the Interim Fire Chief to take any and all actions necessary to carry out the intent of this Resolution.

IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsections, sentences, clauses or phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 13th day of March 2024, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Delano Doss, Board Chair

ATTEST:

Kimberly Corcoran, Clerk of the Board

RODEO-HERCULES FIRE PROTECTION DISTRICT**MEMORANDUM**

TO: Board of Directors, RODEO - HERCULES FIRE DISTRICT

FROM: Rebecca Ramirez, INTERIM FIRE CHIEF

DATE: March 13, 2024

SUBJECT: Agreement for Legal Services Redwood Public Law

BACKGROUND/DISCUSSION

California Health & Safety Code §13861(e) provides that the District has the power to employ counsel.

In April 2011, the Board of Directors retained Meyers Nave to provide the District legal services and named Richard D. Pio Roda as District Counsel. Meyers Nave, by and through Richard D. Pio Roda, has served as District Counsel since then. Meyers Nave attorneys have thus been providing legal services to the District for many years.

Mr. Pio Roda informed the District in February that he, along with other Meyers Nave Principals and attorneys, would be leaving Meyers Nave and forming a new law firm called Redwood Public Law. Redwood Public Law is a law firm that is focused on public agency representation and will include, in addition to Mr. Pio Roda, other attorneys that serve as District and General Counsel for special districts throughout the Bay Area and the Sacramento area. The team of public law attorneys that primarily provide legal services to the District will also be joining Redwood Public Law.

Staff brings forward the attached resolution and agreement to authorize legal services to be provided by Redwood Public Law and for Mr. Pio Roda to continue serving as District Counsel.

FISCAL IMPACT

The rates for legal services are unchanged from the existing agreement with Meyers Nave.

RECOMMENDATION

It is recommended that the Board of Directors adopt a resolution approving and authorizing the Board Chair to execute a Legal Services Agreement with Redwood Public Law LLP, for Richard D. Pio Roda to continue serving as District Counsel.

Attachments

1. Rodeo Hercules FPD Legal Services Engagement Letter
2. Resolution approving agreement with Redwood Public Law

March 5, 2024

Via Email
Personal, Privileged and Confidential

Board Chairman Delano Doss
c/o Interim Chief Rebecca Ramirez
Rodeo-Hercules Fire Protection District
Station 76
1680 Refugio Valley Road
Hercules, CA 94547
doss@rhfd.org
ramirez@rhfd.org

Re: Confirmation of Engagement and Fee Agreement

Dear Chairman Doss:

We are grateful that the Rodeo-Hercules Fire Protection District, by and through its Board of Directors, (“Client” or “District”) has decided to hire Redwood Public Law, LLP (“Redwood” or “we/us”) as its attorney. This letter explains the terms of our attorney-client relationship and outlines the fees Redwood charges for its services. If the District agrees to the terms, please sign below, return the letter to me, at which point this letter will become the “Agreement,” and we can get started representing the District.

1. Scope of Services

As we discussed, the Board is hiring us to provide District Counsel legal services, including but not limited to public law advice and counsel, and transactional, labor & employment, and risk management legal services. Redwood will provide those legal services reasonably required to represent the District. We will take reasonable steps to keep the Board and the Chief informed of progress and will promptly respond to all inquiries. We will also provide additional services pursuant to the terms of this letter, if we both agree in writing, which may be in an email exchange.

2. Staffing

Although I intend to have primary responsibility for handling these matters, the District is retaining Redwood and not any specific attorney. I will use other attorneys and legal assistants in the best exercise of my professional judgment. If, at any time, the Chief or the Board have any questions, concerns, or comments about how a matter is staffed, or anything else, please contact me or any other Redwood partner.

3. No Deposit

No initial deposit is expected or required prior to the provision of legal services, although Redwood reserves the right to require a deposit in advance of further legal services should the need arise.

4. Fees and Billing Practices

As compensation for our services, the District agrees to pay by the hour at our hourly rates for all time spent on District matters by Redwood's legal personnel. Current hourly rates for legal personnel working on District matters are listed in Attachment 1. Time is billed in minimum increments of one-tenth (0.1) of an hour. The rates on this schedule are typically revised July 1. If the Board declines to pay increased rates, Redwood will have the right to withdraw as attorney if allowed under the Rules of Professional Conduct of the State Bar of California and/or applicable law. The time charged will include, but is not limited to, the time attorneys spend on telephone calls, e-mails and other electronic communications relating to District matters, including calls and e-mails with the Chief and Board members and other parties and attorneys. Attorneys will charge for waiting time and for travel time, both locally and out of town.

We will provide the District with a monthly statement of all attorney fees and costs incurred during the applicable billing period, as described in section 6 below. If applicable, Redwood will apply any deposit made to the balance shown on the statement. If attorney fees and costs exceed the amount of the deposit, the District will pay any additional balance due on receipt of Redwood's monthly statement. The District will also replenish the deposit each month in the amount of all payments made to Redwood from the deposit. At the conclusion of the matter, the deposit will be applied to the final statement. The District will be responsible for any amount due over and above the deposit. If the amount due from the District in the final statement is less than the amount of the deposit, the difference will be refunded to the District.

5. Costs and Other Charges

a. Costs, generally

Redwood will incur various costs and expenses in performing legal services under this Agreement. The District agrees to pay for all costs, disbursements, and expenses in addition to the hourly fees.

b. External costs

External costs and expenses commonly include notary fees, long distance telephone charges, messenger and other delivery fees, postage, outside photocopying and other reproduction costs, travel costs including parking, mileage, transportation, meals and hotel costs, investigation expenses, translator/interpreter fees, consultants' fees and/or special master fees and other similar items. The foregoing external costs and expenses will be charged at Redwood's cost. Costs will be advanced by Redwood and then billed to the District unless the costs can be met out of deposits that are applicable toward costs. However, for substantial cost items, we may, at our option, require that the District make advance payment.

c. Internal costs



Internal charges include, but are not limited to, storage of electronic and physical client files and other documents and files kept as part of providing legal services, legal research services, duplicating, facsimile charges, telephone and video and teleconference system charges, postage, mileage, and other administrative expenses. We have found that the most effective method of accounting for these administrative costs is to charge a flat 5% of the professional fees incurred.

d. Travel

The District will not be charged our hourly rates for the time legal personnel spend traveling from our office to the District's business office or Board meetings.

e. Experts, Consultants, and Investigators

To aid in District matters, it might become necessary to hire expert witnesses, consultants, or investigators. The District agrees to pay such fees and charges. After consulting with the District, we will select any expert witnesses, consultants, or investigators to be hired, and we will inform the District of who is chosen and their charges.

f. Pre-approval for large-cost items

We will obtain District consent before incurring any costs more than \$1,000.

6. Statements and Payments

Redwood will send monthly statements showing attorney fees and costs incurred and their bases, any amounts applied from the deposit(s), and any current balance owed. If no attorney fees or costs are incurred for a particular month, or if they are minimal, the statement may be held and combined with that for the following month unless the District requests a statement. We request that any balance be paid in full within 30 days after the statement is sent. The District agrees to promptly review all statements we send and communicate any objections, questions, or concerns about them. If a statement is not paid when due, interest will be charged on the principal balance (consisting of any unpaid fees, costs, and/or expenses) shown on the bill. Interest will be calculated by multiplying the unpaid balance by the periodic rate of 0.833% per month. The unpaid balance will bear interest until paid.

7. Arbitration

a. Arbitration of All Claims Including Claims of Malpractice

Any dispute between Redwood and the District regarding the construction, application, or performance of any services under this Agreement, and any claim arising out of or relating to this Agreement or its breach, including, without limitation, claims for breach of contract, professional negligence, breach of fiduciary duty, misrepresentation, fraud, and disputes regarding attorney fees and/or costs charged under this Agreement (except as provided in 7.b. below) shall be submitted to binding arbitration upon the written request of one party after the service of that request on the other party. The parties shall appoint one person to hear and determine the dispute in Alameda County, California before the American Arbitration Association, following its then prevailing rules, unless the parties agree in writing to a different arbitration method or forum. The District and Redwood confirm that each has read and understands this subsection and voluntarily agrees to binding arbitration. In doing so, the District and Redwood voluntarily give up important constitutional rights to trial by judge or jury, as well as rights to appeal. The District may consult with an independent



lawyer of its choice to review these arbitration provisions, and this entire agreement, prior to signing this Agreement.

b. Mandatory Fee Arbitration

Notwithstanding 7.a. above, the parties acknowledge that in any dispute over attorneys' fees, costs or both subject to the jurisdiction of the State of California over attorneys' fees, charges, costs, or expenses, the District has the right to elect arbitration pursuant to procedures as set forth in California Business and Professions Code Sections 6200-6206 (the Mandatory Fee Arbitration Act). If, after receiving a Notice of Client's Right to Fee Arbitration, the District does not choose to proceed under the Mandatory Fee Arbitration Act procedures by failing to file a request for fee arbitration within 30 days, any dispute over fees, charges, costs, or expenses will be resolved by binding arbitration as provided in 7.a. above. Arbitration pursuant to the Mandatory Fee Arbitration Act is non-binding unless the parties agree in writing, after the dispute has arisen, to be bound by the arbitration award. The Mandatory Fee Arbitration Act procedures allow a court trial after non-binding arbitration, or a subsequent binding contractual arbitration if the parties have agreed to binding arbitration, if either party rejects the award within 30 days after the award is mailed to the parties.

8. Client Approval Necessary for Settlement

Redwood will not make any settlement or compromise of any nature of any claims without prior Board approval. The Board has the absolute right to accept or reject any settlement.

9. Termination of Representation

The Board of Directors may terminate our attorney-client relationship at any time. Redwood may withdraw with the Board's consent or for good cause or if allowed under the Rules of Professional Conduct of the State Bar of California and/or applicable law. Among the circumstances under which Redwood may withdraw are: (a) with Board consent; (b) District conduct makes it unreasonably difficult for Redwood to carry out the representation effectively; and/or (c) the District does not pay Redwood's fees or costs as required by this Agreement. Notwithstanding the discharge, the District will remain obligated to pay Redwood at the agreed rates for all services provided and to reimburse Redwood for all costs advanced. Following any termination of representation, we will release District files only following its delivery to us of a signed release letter containing appropriate directions and an acknowledgment of the obligation to pay outstanding fees. The District will be charged for the reasonable costs of retrieval, assembly, copying, processing, and transfer of all files or materials.

10. Conclusion of Services

When Redwood's services conclude, whether by completing the services covered by this Agreement, or by discharge or withdrawal, all unpaid charges for fees or costs will be due and payable immediately.

11. Document Retention-

During Redwood's representation, the District might provide us with, and we might obtain documents that are relevant to, the representation. Some of those documents might be important to the District and so that there is no confusion we find that it is useful at the start



of the representation for us to communicate our document retention policy. Our policy reflects our commitment to using less paper and eliminating unnecessary copies of documents. Documents of record can be either hard copies or digital, regardless of the form they took originally when created or received by Redwood. Whenever it is proper and practical, Redwood prefers documents of record (official version) to be in digital format. Further, if a record is stored electronically, then paper copies may be destroyed. This helps us manage information, helps the environment, and helps control your and our costs. The materials pertaining to our representation belong to the District and the District may access them or have duplicates provided to it at any time during our engagement apart from certain Redwood accounting information. Redwood's policy is for clients to take immediate possession of paper records after the conclusion of the matter and to maintain electronic records for a period of 5 years after the conclusion of the matter. If the District does not notify us that it wants to take possession of paper records, we will destroy them in a secure manner. Electronic records held for five years will subsequently be destroyed unless the District lets us know that it wishes to take possession of them.

12. Disclaimer of Guaranty and Estimates

Nothing in this Agreement and nothing in Redwood's statements will be construed as a promise or guarantee about the outcome of a matter. Redwood makes no such promises or guarantees. Redwood's comments about the outcome of a matter are expressions of opinion only, are neither promises nor guarantees, and will not be construed as promises or guarantees. Any deposits made or estimate of fees given by Redwood are not a representation of a flat fee and will not be a limitation on fees or a guarantee that fees and costs will not exceed the amount of the deposit or estimate. Actual fees may vary significantly from estimates given.

13. Professional Liability Insurance Disclosure

Pursuant to California Rule of Professional Conduct 1.4.2.(a), Redwood confirms that it has professional liability insurance. We maintain the following insurance, at a minimum:

General liability and property damage	\$2,000,000 per occurrence
	\$4,000,000 aggregate
Professional errors and omission	\$5,000,000 aggregate

14. Reserved.

15. Notices

The District may give written notice to Redwood using the address set forth above, and Redwood may give the District notice using the address set forth above. Either party may change its address for notifications by notifying the other party in writing in accordance with this paragraph.

16. Consent to Use of E-Mail and Cloud Services

To provide the District with efficient and convenient legal services, the District and Redwood will frequently communicate and transmit documents using e-mail. There may be risks communicating in this manner, including risks related to confidentiality and security.



By entering into this Agreement, the District consents to such e-mail transmissions with its representatives and agents.

In addition, Redwood uses cloud computing services with servers located in a facility other than Redwood's office. Most of Redwood's electronic data, including emails and documents, are stored in this manner. By entering into this Agreement, the District understands and consents to having communications, documents, and information pertinent to its matters stored in such a cloud-based service. Rest assured that Redwood takes reasonable precautions to ensure District data is maintained securely.

17. Conflicts of Interest

Redwood's practice involves the representation of many public entities in the State of California of all types. It is not uncommon for such entities to have strong views on matters of public policy that diverge from one another.

Redwood performs a variety of professional services for its clients, and it is possible that Redwood will represent clients or entities that are adverse to the District on other, unrelated matters or that Redwood will represent another client that has views on public policy or legal matters that differ from the District's views on those policies or matters. The District expressly agrees that it waives any actual or potential conflicts that might arise from such future representations, that it will not attempt to disqualify Redwood on such matters, and that Redwood is free to represent its clients on such matters.

By executing this Agreement, the District acknowledges that it and Redwood have discussed these matters and that it confirms that it does not object to Redwood's representation of clients on matters where those clients' legal, governmental, or political objectives and/or positions may be different from or adverse to the District, and that District waives any conflicts of interest with respect to our representation of such clients with differing legal, governmental or political interests. The District further confirms that it will not assert any conflict of interest concerning such representations or attempt to disqualify Redwood from representing such clients notwithstanding such adversity.

The District agrees that, while it may terminate the attorney-client relationship with Redwood, Redwood would be free to represent such clients even on those matters that it consider adverse, and that the District waives any conflict of interest in connection therewith. Of course, the District's acknowledgments and consents above do not permit Redwood to represent another client in the same matter in which Redwood is adverse to the District and do not permit Redwood to represent another client if there would be a significant risk that Redwood's representation of the District would be materially limited by the representation of the other client. Any such representation would require Redwood to obtain the District's informed written consent and the same from the other client.

18. Entire Agreement

This is our entire agreement. No other agreement, statement, or promise made on or before the effective date of this agreement will bind either of us.



19. Severability in Event of Partial Invalidity

If any provision of this letter, as agreed to by the District, is held in whole or in part to be unenforceable for any reason, the remainder of that provision and the letter will be severable and remain in effect.

20. Modification By Subsequent Agreement

The District and Redwood may only modify this Agreement by our mutual subsequent written amendment.

21. Governing Law

This Agreement is governed by, and must be interpreted under, California law, and any court proceedings relating to this Agreement must be instituted in the County of Alameda.

22. Effective Date

This Agreement will govern all legal services performed by Redwood on the District's behalf commencing with the date Redwood first performed services. The date at the beginning of this Agreement is for reference only. Even if this Agreement does not take effect, the District will be obligated to pay Redwood the reasonable value of any services Redwood may have performed for it.

Very truly yours,



REDWOOD PUBLIC LAW, LLP
Richard D. Pio Roda, Partner

Agreed:
Rodeo-Hercules Fire Protection District

By: _____
Name: Delano Doss
Its: Chairman of the Board of Directors



ATTACHMENT 1

Staff Level	Rate
Partner (Richard D. Pio Roda)	\$355
All other Partners	\$385
Of Counsel	\$365
Associate	\$340
Paralegal	\$145
Law Clerk	\$145

Rates increase every July 1st by the greater of 3% or the relevant local CPI increase over the prior 12 month period, rounded to the nearest \$5.00.

DRAFT



RESOLUTION 2024-06

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES
FIRE PROTECTION DISTRICT TO AUTHORIZE THE BOARD CHAIR TO
EXECUTE A NEW LEGAL SERVICES AGREEMENT WITH REDWOOD PUBLIC
LAW LLP WITHIN THE EXISTING FY 2023-2024 BUDGET**

WHEREAS, a new legal services agreement between the District and Redwood Public Law LLP is presented to this Board, a draft of which is attached to this Resolution; and

WHEREAS, the proposed agreement does not change or affect the current budget for general legal services in the existing FY 2023-2024 budget; and

WHEREAS, the Board of Directors is familiar with the contents thereof.

NOW, THEREFORE, the Board of Directors of the Rodeo-Hercules Fire Protection District does **RESOLVE** as follows:

1. That said agreement is hereby approved and execution by Board Chair Doss is hereby authorized.

IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsections, sentences, clauses or phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 13th day of March 2024, by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

Delano Doss, Board Chair

ATTEST:

Kimberly Corcoran, Clerk of the Board

**RODEO-HERCULES FIRE PROTECTION DISTRICT
MEMORANDUM**

TO: Board of Directors, RODEO-HERCULES FIRE PROTECTION DISTRICT
FROM: Rebecca Ramirez, INTERIM FIRE CHIEF
DATE: March 13, 2024
RE: Request for Mid-Year Budget Adjustment Expenditures FY 2023-24

BACKGROUND

In February 2024 staff provided a mid-year budget report which identified areas of forecasted shortfalls which would very likely cause the District to exceed the operating budget as approved in September of 2023.

While several options were discussed, the Board chose to make a mid-year adjustment by transferring approved unspent capital funds in the amount of \$195,000 to the operational budget to account for a portion of the expected deficit. Additionally, \$339,194 will be transferred from the fund balance to bridge the remaining gap. Additionally, the Fire Chief would implement reasonable cost savings that do not impact operations, firefighter, and civilian safety.

The overall fiscal impact and net changes to the budget are detailed below.

REVISED BUDGET AND FISCAL IMPACT

Operating Budget

The revised operating budget in salary and benefits includes changes as follows:

Permanent Salaries	\$241,000
Retirement	\$263,194

The revised operating budget in supplies and services includes a change as follows:

Contract for Grant Writing Services ¹	\$30,000
--	----------

The total proposed increase to the operating budget is \$534,194. If adopted the revised operating budget will be \$10,037,082.

¹ Townsend Public Affairs Grant Writing contract approved by Resolution 2024-02 on January 10, 2024

Capital Budget

The revised capital budget includes net changes as follows:

Removal of roof repair	-\$35,000
Removal of communications equipment	-\$70,000
Removal of replacement of concrete tank	-\$90,000
Alerting system contract approval ²	\$11,000
Bathroom renovation contract approval ³	<u>\$15,000</u>

The total proposed net change is a \$165,892 decrease to the capital budget. If adopted the revised capital budget will be \$397,108.

RECOMMENDATION

1. Staff respectfully recommends the Board approve and adopt an amended operating budget for fiscal year 2023-24 of \$10,037,082
2. Staff respectfully recommends the Board approve and adopt an amended capital budget for fiscal year 2023-24 of \$397,108.

ATTACHMENTS

- Revised Operating Budget
- Revised Capital Budget

² Total cost: \$231,808. Resolution 2023-04 approved on November 8, 2023
³ Total cost: \$102,300. Resolution 2023-03 approved on October 18, 2023. Additional \$15,000 approved by motion on January 10, 1024.

**RODEO HERCULES FIRE PROTECTION DISTRICT
FY2023-2024 BUDGET**

DESCRIPTION	GL CODE	ADOPTED BUDGET FY2023-24	MID-YEAR ADJUSTMENT FY2023-24	PROPOSED REVISED BUDGET FY2023-24	YTD ACTUAL THRU 12.31.23 FY2023-24	% EXPENDED REV.BUDGET	% EXPENDED ADOPTED
Holiday Pay	1001	218,393		218,393	108,058	49.5%	49.5%
Permanent Salaries	1011	2,822,138	241,000	3,063,138	1,489,818	48.64%	52.8%
Strike Team Reimbursement	1011			-	\$ (10,068)		
Drill/Temporary Salaries	1013	49,000		49,000	23,680	48.3%	48.3%
Overtime	1014	-		-	-		
FLSA	1014-01	137,277		137,277	74,751	54.5%	54.5%
Backfill/Ancillary	1014-02	681,363		681,363	361,509	53.1%	53.1%
Strike Team	1014-03			-	92,218		
Strike Team-FLSA	1014-04			-	4,246		
Strike Team Reimbursement	1014-05			-	(136,792)		
Deferred Compensation	1015	14,400		14,400	12,900	89.6%	89.6%
FICA	1042	58,000		58,000	36,678	63.2%	63.2%
Retirement	1044	2,560,962	263,194	2,824,156	1,410,087	49.9%	55.1%
Group Insurance	1060	660,757		660,757	256,301	38.8%	38.8%
Group Insurance-Retiree	1061	360,000		360,000	159,947	44.4%	44.4%
Unemployment Insurance	1063	1,000		1,000	716	71.6%	71.6%
Worker's Compensation Ins.	1070	441,129		441,129	441,129	100.0%	100.0%
TOTAL SALARIES AND BENEFITS		\$ 8,004,419	\$ 504,194	8,508,613	4,325,178	50.8%	54.0%
Office Expenses	2100	34,750		34,750	15,219	43.80%	43.80%
Books/periodicals/subscriptions	2102	4,000		4,000	157	3.93%	3.93%
Communications	2110	217,915		217,915	33,081	15.18%	15.18%
Utilities	2120	41,495		41,495	32,901	79.29%	79.29%
Small Tools and Equipment	2130	10,500		10,500	464	4.42%	4.42%
Medical supplies	2140	26,500		26,500	1,894	7.15%	7.15%
Food	2150	4,420		4,420	427	9.66%	9.66%
Clothing & personal supplies	2160	13,440		13,440	6,840	50.89%	50.89%
Household expenses	2170	9,100		9,100	2,831	31.11%	31.11%
Publications and legal notices	2190	1,300		1,300	454	34.92%	34.92%
Memberships	2200	13,482		13,482	13,210	97.98%	97.98%
Rents and leases	2250	203,660		203,660	199,127	97.77%	97.77%
Repair & service equipment	2270	41,920		41,920	10,905	26.01%	26.01%
Vehicle repair services	2271	100,000		100,000	32,028	32.03%	32.03%
Reimbursements	2271				\$ (42,118.00)		
Gas & oil supplies	2272	32,100		32,100	5,514	17.18%	17.18%
Vehicle maintenance-tires	2273	15,000		15,000	6,301	42.01%	42.01%
Maint. Radio& electrical equip.	2276	7,380		7,380	1,295	17.55%	17.55%
Maintenance building & grounds	2281	36,500		36,500	3,468	9.50%	9.50%
Employee travel expenses	2303	5,400		5,400	1,287	23.83%	23.83%
Professional/Specialized services	2310	410,864	30,000	440,864	194,664	47.38%	47.38%
Data processing service	2315	4,200		4,200	19,793	471.26%	471.26%
Data processing supplies	2316	323		323	-	0.00%	0.00%
Information security	2326	4,620		4,620	395	8.55%	8.55%
Insurance	2360	97,509		97,509	36,066	36.99%	36.99%
Firefighting supplies	2474	98,458		98,458	4,878	4.95%	4.95%
Recreation/Physical Fitness	2476	2,600		2,600	-	0.00%	0.00%
Educational Supplies & Courses	2477	32,763		32,763	11,920	36.38%	36.38%
Other Special Departmental Expenses	2479	4,270		4,270	7,163	167.75%	167.75%
Interest on Notes & Warrants	3520	1,000		1,000	-	0.00%	0.00%
Tax Assessments	3530	23,000		23,000	19,455	84.59%	84.59%
Total Services & Supplies Expenses		1,498,469	30,000	1,528,469	619,619	41.35%	41.35%
Total Operational Expenses		\$ 9,502,888	\$ 534,194	\$ 10,037,082	\$ 4,944,797	49.3%	52.03%
FLSA SETTLEMENT COSTS		\$ 280,000.00			\$ 278,373.53	100%	

*30,000 approved at the January 2024 Board Meeting

**RODEO-HERCULES FIRE PROTECTION DISTRICT
FY 2023-24 CAPITAL BUDGET**

	ADOPTED BUDGET 09/2023	PROPOSED REVISED CAPITAL BUDGET	REALLOCATION OF FUNDS
STATION 76 ROOF	\$ 35,000	\$ -	\$ 35,000
ALERTING SYSTEM 75/76	\$ 220,000	\$ 231,808	
COMMUNICATION EQUIPMENT	\$ 70,000	\$ -	\$ 70,000
STATION 76 BATHROOM REMODEL	\$ 35,000	\$ 30,450	
STATION 75 BATHROOM REMODEL	\$ 50,000	\$ 41,850	
STATION 76 BATHROOM REMODEL		\$ 15,000	
BATHROOM OVERAGES		\$ 15,000	
STATION 76 PAINT INTERIOR	\$ 15,000	\$ 15,000	
CONCRETE FLOOR REHAB 75	\$ 9,000	\$ 9,000	
CONCRETE FLOOR REHAB 76	\$ 9,000	\$ 9,000	
CARPET REPLACEMENT 75	\$ 7,500	\$ 7,500	
CARPET REPLACEMENT 76	\$ 7,500	\$ 7,500	
REPLACE CONCRETE/TANK 76	\$ 90,000	\$ -	\$ 90,000
COST OVERRUN	\$ 15,000	\$ 15,000	
	\$ 563,000	\$ 397,108	\$ 195,000

net change to capital is 165,892

RESOLUTION 2024-07

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE RODEO HERCULES FIRE PROTECTION DISTRICT ADOPTING A REVISED MIDYEAR BUDGET FOR THE 2023-2024 FISCAL YEAR

WHEREAS, the Rodeo-Hercules Fire Protection District Board of Directors supports the proposal of the Mid-Year Budget review; and.

WHEREAS, to account for increase in Permanent Salaries expense, a \$241,000 corresponding adjustment in expenditures is necessary; and

WHEREAS, to account for increase in Retirement expense, a \$263,194 corresponding adjustment in expenditures is necessary; and

WHEREAS, to account for increase in Professional Services expense, a \$30,000 corresponding adjustment in expenditures is necessary; and

WHEREAS, unspent capital funds in the amount of \$195,000 will be transferred to the operational budget to account for a portion of the increase in expenditures; and the revised Capital Budget will be \$395,108.

WHEREAS, these Midyear adjustments increase the operating budget by \$534,194, making the revised Midyear Operating Budget \$10,037,082.

WHEREAS, in review of the Budget at Midyear for Fiscal Year 2023-24, these adjustments are to be made to the Operating Budget as set forth in Exhibit A, attached hereto and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS: that the Board of Directors of the Rodeo-Hercules Fire Protection District does hereby approve an amendment to the FY2023-24 Budget to enact the changes identified on Exhibit A attached hereto.

IF ANY PART OF THE RESOLUTION OR ANY ATTACHMENTS TO IT are for any reason determined to be invalid or unconstitutional, such determination shall not affect the validity of the remaining portions of this Resolution or its attachments, and the Board hereby declares that it would have adopted this Resolution, and each section, subsection, sentence, clause, and phrase hereof, irrespective of any one or more sections, subsection, sentences, clauses or

///

///

///

///

///

phrases being declared invalid or unconstitutional. The foregoing Resolution was duly and regularly adopted at a regular meeting of the Rodeo-Hercules Fire Protection District Board of Directors meeting held on the 13th day of March 2024, by the following vote of the Board:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Delano Doss, Chairperson

ATTEST:

Kimberly Corcoran, Clerk of the Board

EXHIBIT A

RODEO HERCULES FIRE PROTECTION DISTRICT
FY2023-2024 BUDGET

DESCRIPTION	GL CODE	ADOPTED BUDGET FY2023-24	MID-YEAR ADJUSTMENT FY2023-24	PROPOSED REVISED BUDGET FY2023-24	YTD ACTUAL THRU 12.31.23 FY2023-24	% EXPENDED REV.BUDGET	% EXPENDED ADOPTED
Holiday Pay	1001	218,393		218,393	108,058	49.5%	49.5%
Permanent Salaries	1011	2,822,138	241,000	3,063,138	1,489,818	48.64%	52.8%
Strike Team Reimbursement	1011			-	\$ (10,068)		
Drill/Temporary Salaries	1013	49,000		49,000	23,680	48.3%	48.3%
Overtime	1014	-		-	-		
FLSA	1014-01	137,277		137,277	74,751	54.5%	54.5%
Backfill/Ancillary	1014-02	681,363		681,363	361,509	53.1%	53.1%
Strike Team	1014-03			-	92,218		
Strike Team-FLSA	1014-04			-	4,246		
Strike Team Reimbursement	1014-05			-	(136,792)		
Deferred Compensation	1015	14,400		14,400	12,900	89.6%	89.6%
FICA	1042	58,000		58,000	36,678	63.2%	63.2%
Retirement	1044	2,560,962	263,194	2,824,156	1,410,087	49.9%	55.1%
Group Insurance	1060	660,757		660,757	256,301	38.8%	38.8%
Group Insurance-Retiree	1061	360,000		360,000	159,947	44.4%	44.4%
Unemployment Insurance	1063	1,000		1,000	716	71.6%	71.6%
Worker's Compensation Ins.	1070	441,129		441,129	441,129	100.0%	100.0%
TOTAL SALARIES AND BENEFITS		\$ 8,004,419	\$ 504,194	8,508,613	4,325,178	50.8%	54.0%
Office Expenses	2100	34,750		34,750	15,219	43.80%	43.80%
Books/periodicals/subscriptions	2102	4,000		4,000	157	3.93%	3.93%
Communications	2110	217,915		217,915	33,081	15.18%	15.18%
Utilities	2120	41,495		41,495	32,901	79.29%	79.29%
Small Tools and Equipment	2130	10,500		10,500	464	4.42%	4.42%
Medical supplies	2140	26,500		26,500	1,894	7.15%	7.15%
Food	2150	4,420		4,420	427	9.66%	9.66%
Clothing &personal supplies	2160	13,440		13,440	6,840	50.89%	50.89%
Household expenses	2170	9,100		9,100	2,831	31.11%	31.11%
Publications and legal notices	2190	1,300		1,300	454	34.92%	34.92%
Memberships	2200	13,482		13,482	13,210	97.98%	97.98%
Rents and leases	2250	203,660		203,660	199,127	97.77%	97.77%
Repair & service equipment	2270	41,920		41,920	10,905	26.01%	26.01%
Vehicle repair services	2271	100,000		100,000	32,028	32.03%	32.03%
Reimbursements	2271				\$ (42,118.00)		
Gas & oil supplies	2272	32,100		32,100	5,514	17.18%	17.18%
Vehicle maintenance-tires	2273	15,000		15,000	6,301	42.01%	42.01%
Maint. Radio& electrical equip.	2276	7,380		7,380	1,295	17.55%	17.55%
Maintenance building & grounds	2281	36,500		36,500	3,468	9.50%	9.50%
Employee travel expenses	2303	5,400		5,400	1,287	23.83%	23.83%
Professional/Specialized services	2310	410,864	30,000	440,864	194,664	47.38%	47.38%
Data processing service	2315	4,200		4,200	19,793	471.26%	471.26%
Data processing supplies	2316	323		323	-	0.00%	0.00%
Information security	2326	4,620		4,620	395	8.55%	8.55%
Insurance	2360	97,509		97,509	36,066	36.99%	36.99%
Firefighting supplies	2474	98,458		98,458	4,878	4.95%	4.95%
Recreation/Physical Fitness	2476	2,600		2,600	-	0.00%	0.00%
Educational Supplies & Courses	2477	32,763		32,763	11,920	36.38%	36.38%
Other Special Departmental Expenses	2479	4,270		4,270	7,163	167.75%	167.75%
Interest on Notes & Warrants	3520	1,000		1,000	-	0.00%	0.00%
Tax Assessments	3530	23,000		23,000	19,455	84.59%	84.59%
Total Services & Supplies Expenses		1,498,469	30,000	1,528,469	619,619	41.35%	41.35%
Total Operational Expenses		\$ 9,502,888	\$ 534,194	\$ 10,037,082	\$ 4,944,797	49.3%	52.03%
FLSA SETTLEMENT COSTS		\$ 280,000.00			\$ 278,373.53	100%	

Rodeo-Hercules Fire Protection District
MEMORANDUM

To: Board of Directors, Rodeo-Hercules Fire District
From: Rebecca Ramirez, Interim Fire Chief
Subject: Fire Chief's Report
Date: March 13, 2024

Labor Relations /Personnel

The recruitment for Firefighter Paramedic continued with oral interviews last week. Chief's Interviews to be held at the end of March. We congratulate Engineer Jonah Becton on his promotion to Engineer. One Fire Engineer is recovering from a minor injury sustained during a structure fire. He is expected to make a full recovery to return to work in approximately 6-8 weeks.

Reporting: Chief Ramirez

Operations

- 2/15: E75 and Q76 responded to a commercial structure fire in Pinole. Upon arrival, crews encountered a kitchen fire which was quickly contained. One maintenance worker was treated for breathing problems.
- 2/16: E75 and Q76 responded to an exterior structure fire in Crockett. The fire was contained to the exterior part of the garage with minimal extension to the interior. One RHFD member sustained minor injuries.
- 2/17: Units responded to a vehicle accident on I-80 WB, 2 vehicles with moderate damage blocking multiple lanes. Two patients with minor injuries; one transported.
- 2/20: E75 and Q76 responded to a structure fire in Pinole. Single family residence. Q76 was tasked with vertical ventilation to assist with visibility and heat release. E75 was assigned to RIC and pulled an exposure line to the rear of the structure.
- 3/1: E75, Q76, and automatic aid units including CCCFPD and Crockett responded to a structure fire in Rodeo. Upon arrival crews found a two-story single-family residence with a working fire in the kitchen. The house contained significant excess personal items stored in a hoarding manner. Code enforcement was notified. No injuries, one cat casualty.
- 3/1: E75 and Q76 responded to two separate accidents within a few hours of one another at the same location on Hwy 4 at Christie Rd. The first was a rollover wherein the driver self-extricated with no injuries. The second involved 3 vehicles. One vehicle was high centered on top of the K Rail on the right shoulder, the second vehicle blocked the left lane, and the third vehicle blocked the right lane. transported two patients with minor injuries. All vehicles had moderate damage.

Reporting: Captain Clapp

Training

All personnel are participating in regional DEI (Diversity, Equity & Inclusion) training at ConFire, training to continue throughout March. Crews participated in high-risk specialty rescue training of “Vent Enter Search” (VES) using the old CVS Building in Pinole. Chiefs Johnson and Ramirez attended two separate Emergency Operations Center (EOC) trainings with the executive team of the City of Hercules.
Reporting: Captain Clapp

Facilities/Equipment

Bathroom renovations at station 75 are underway. The station alerting systems have been installed at station 76 and are underway at station 75. The City of Hercules is preparing for roof replacement at station 76, we thank them for their partnership. A fire sprinkler leak at station 75 occurred while crews were out responding to calls, causing minor water damage. The damage has been repaired.
Reporting: Chief Ramirez

Fleet Management

Engine 75 Pierce is back in the shop for warranty issues. Unknown ETA. Quint 76A is back in the shop for multiple water leaks, moderate plumbing fixes, and leaking transfer case.
Reporting: Captain Clapp

Strategic Plan / Sustainability Efforts

Request for Proposal was finalized and published in the Daily Dispatch and sent to a variety of possible interested parties, no submittals, or inquiries as of the submission of the report.

Grants/Reimbursements

Two grants under the Assistance for Firefighting Grant program with FEMA have been submitted for cardiac monitors and portable radios. Award announcements expected this summer. We appreciate the assistance from our staff and Townsend in the submissions. No word yet on previously submitted HSGP for Thermal Imaging Cameras.
Reporting: Chief Ramirez

Community Risk Reduction

Hercules blood pressure screening is offered the second Wednesday of every month at 11am at the Hercules Senior Center. Rodeo hosted a blood screening at the Senior Center located at 189 Parker Ave on the first Tuesday this month and will continue doing it there moving forward. Thanks to collaborative efforts with staff and Directors Davidson and Bowman, Board meetings now have fully integrated AI, closed captions and summary of topics as well as full transcripts available on request.
Reporting: Chief Ramirez

Prevention

Meeting and plan check for new townhomes project at the Hercules Bayfront underway. Fire Marshal Lellis and George Apple have been meeting with developers of Franklin Canyon RV Resort project. Planning with city of Hercules to discuss preparation for Fourth of July event at the bayfront. Inspection of all elementary schools in Rodeo and Hercules complete by CSG consultants. Prevention is planning to meet with suppression personnel to discuss electrical utility (solar panel/energy storage) firefighter safety and suppression tactics. Development of a weed abatement program is in progress.
Reporting: Chief Ramirez

Fiscal Stabilization

Annual audit complete. Mid-Year adjustment requested.

Reporting: Chief Ramirez

Community Activities/Meetings

Chief attended CAP 66 and RMAC monthly meetings.

Reporting: Chief Ramirez



MEMORANDUM

To: Rebecca Ramirez, Fire Chief, Rodeo Hercules Fire District

From: Cori Takkinen, Vice President, Townsend Public Affairs, Inc.
Christine Rose, Senior Associate, Townsend Public Affairs, Inc.
Sammi Maciel, Associate, Townsend Public Affairs, Inc.

Date: March 3, 2023

Subject: Grants and Funding Monthly Report

Overview

The purpose of this memo is to provide a monthly outline of upcoming funding opportunities and grant programs that could potentially meet the District's funding needs in the near future. This memo is not a comprehensive list of all grants that are currently available, but ones that you may be able to submit competitive applications for relevant priority projects.

Future Opportunities

Since the Governor's Proposed Budget released on January 10, the Legislative Analyst's Office (LAO) has released updated estimations on the projected budget deficit in the month of February. The LAO's update in February was regarding State Revenues in relation to the State Budget. Previously, the LAO estimated that the State is facing a budget deficit of about \$58 billion, under the Governor's Proposed Budget released on January 10. However, currently the LAO estimates that the deficit is about \$24 billion below the Governor's Budget across 2022-23 to 2024-25. In total, this \$24 billion deficit leads to a \$15 billion increase to the budget problem. Under the LAO's estimates, this increases the previously estimated \$58 billion deficit to \$73 billion.

While the budget proposal serves as an important benchmark for the state's fiscal health predictions, it is important to know that formulating a final budget agreement is an iterative process that will require negotiations and concessions between both houses of the Legislature and the Governor.

Over the next few weeks, the Legislature will hold informational hearings to discuss various parts of the Governor's proposal before releasing the text of their budget bills and priorities. Typically, the Legislature has advocated for creative methods to maintain existing spending levels such as drawing from reserves, passing short term taxes, and passing statewide revenue bond measures. The Governor, on the other hand, has typically advocated for fiscal prudence, modest cuts, and maintaining cash reserves in case budget conditions worsen. Overall, the Legislature is required

State Capitol Office ▪ 925 L Street ▪ Suite 1404 ▪ Sacramento, CA 95814 ▪ Phone (916) 447-4086 ▪ Fax (916) 444-0383
Federal Office ▪ 600 Pennsylvania SE ▪ Suite 207 ▪ Washington, DC 20003 ▪ Phone (202) 546-8696 ▪ Fax (202) 546-4555
Southern California Office ▪ 1401 Dove Street ▪ Suite 330 ▪ Newport Beach, CA 92660 ▪ Phone (949) 399-9050 ▪ Fax (949) 476-8215
Central California Office ▪ 744 P Street ▪ Suite 308 ▪ Fresno, CA 93721 ▪ Phone (949) 399-9050 ▪ Fax (949) 476-8215
Northern California Office ▪ 300 Frank Ogawa Plaza ▪ Suite 204 ▪ Oakland, CA 94612 ▪ Phone (510) 835-9050 ▪ Fax (510) 835-9030

to pass the State Budget by the June 15 constitutional deadline. It is important to note that the budget situation is always subject to change, should April tax revenues come in higher than expected.

Current Applications

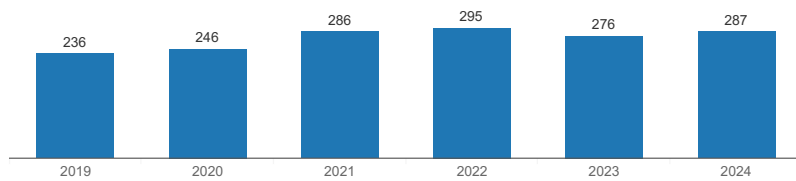
Name	Amount Requested	Project	Status/Deadline
Federal Emergency Management Agency (FEMA) Assistance to Firefighters Grant (AFG)	TBD 10% match required	Regional request for radios. Local request for monitors.	Due March 8, 2024

Looking Ahead: Grant Program Highlights

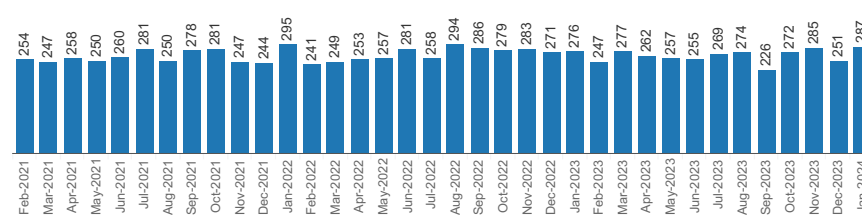
Name	Awards & Match	Description	Timeline
Firehouse Subs Firehouse Subs Grant Program	\$10-25K Average Award No Match Required	The Firehouse Subs Program provides funding to purchase equipment or provide training for firefighters in areas where the restaurant chain operates.	Next round open April 4, 2024
Federal Emergency Management Agency (FEMA) Staffing for Adequate Fire and Emergency Response (SAFER)	No Award Maximum 35% Match Required	The FEMA SAFER grant program assists local fire departments with staffing and deployment capabilities to respond to emergencies and assure that communities have adequate protection from fire and fire-related hazards.	NOFO Expected March 2024
Gary Sinise Foundation Strengthen our Defenders Grant	No Min/Max No Match	Through the Gary Sinise Foundation's First Responders Outreach, we provide help to critical funding for emergency relief, training, and essential equipment to ensure these heroes perform to the best of their abilities.	Ongoing

Rodeo Hercules - January 2024 - Incident Snapshot

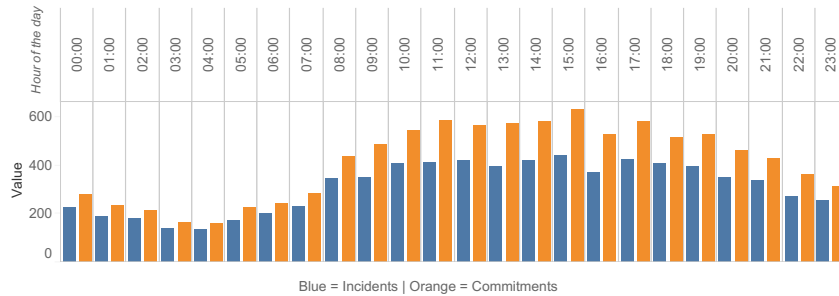
Number of Incidents Year to Date Year-Over-Year - January



Number of Incidents by Month (Last 36 Months)

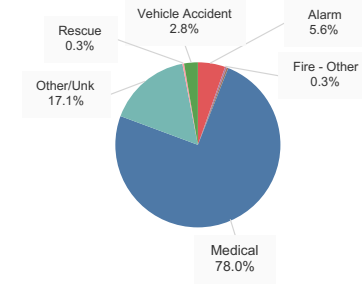


Number of Incidents and Number of Engine and Truck Commitments by Hour of Day Over 36 Months



Number of Incidents by Type - 2024

Type	Incidents	% of Total
Alarm	16	5.6%
Fire - Other	1	0.3%
Fire - Structure	1	0.3%
Medical	224	78.0%
Other/Unk	49	17.1%
Rescue	1	0.3%
Vehicle Accident	8	2.8%
Grand Total	287	100.0%



Average Times for Engines and Trucks Responding to Fire Emergencies in Rodeo Hercules When First On Scene – Last 12 Months Including January 2024

Duration	Benchmark	Compliance	Average	Count
Call Processing	00:01:30	59.1%	00:01:28	115
Turnout	00:01:50	54.3%	00:01:45	105
Travel			00:04:54	113
Total Response			00:08:00	115
Response	00:06:00	50.9%	00:06:35	114

Average Turnout Times for Units E75 and Q76 by Day/Night and Personal Protection Equipment Over the Last 12 Months

PPE	Unit ID	Time of Day	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024
PPE	E75	Day	00:01:24	00:01:25	00:01:25	00:01:28	00:01:33	00:01:23	00:01:33	00:01:12	00:00:49	00:01:22	00:00:42	00:01:21
		Night	00:04:38	00:02:33	00:02:20	00:02:25	00:03:36	00:02:37	00:01:55	00:02:17				
PPE	Q76	Day	00:01:35	00:02:26	00:01:22	00:01:22	00:01:19	00:01:39	00:01:22	00:01:13	00:01:13	00:01:51	00:00:36	00:01:17
		Night	00:02:29	00:02:19	00:02:15	00:02:07	00:02:03	00:02:38	00:02:36	00:02:11	00:01:52	00:02:31	00:02:26	00:02:10
Not PPE	E75	Day	00:01:53	00:01:47	00:01:42	00:01:19	00:01:17	00:01:19	00:01:15	00:01:34	00:01:27	00:00:59	00:01:50	00:01:55
		Night			00:02:06	00:02:37	00:02:42	00:03:05	00:02:30	00:02:07	00:01:30		00:01:40	00:01:29
Not PPE	Q76	Day	00:01:25	00:01:34	00:01:54	00:01:17	00:01:02	00:01:37	00:01:17	00:01:28	00:01:09	00:01:37	00:01:10	00:01:11
		Night			00:02:50		00:02:28	00:01:19	00:01:28	00:01:57	00:02:42	00:02:18	00:02:11	00:02:23
Grand Total			00:01:53	00:01:50	00:01:44	00:01:35	00:01:33	00:01:43	00:01:36	00:01:33	00:01:27	00:01:33	00:01:14	00:01:29

Average Times for Engines and Trucks Responding to EMS Emergencies in Rodeo Hercules When First On Scene – Last 12 Months Including January 2024

Duration	Benchmark	Compliance	Average	Count
Call Processing	00:01:00	30.39%	00:01:38	737
Turnout	00:01:30	41.84%	00:01:43	674
Travel			00:04:23	737
Total Response			00:07:39	737
Response	00:05:40	41.17%	00:06:05	736

Mutual and Auto Aid for the Last 12 Months
Total Amount of Time Committed by Engines and Trucks from Rodeo Hercules to Other Agencies and From Those Agencies to Rodeo Hercules

Jurisdiction	Given	Received
CCCFPD	143:02:56	90:13:26
Crockett	41:50:39	42:30:39
El Cerrito	00:00:00	01:03:11
Richmond	05:45:34	00:31:38
Other	00:00:00	05:59:10
Grand Total	190:39:09	140:18:04

LIST OF FUTURE RHFD AGENDA ITEMS March 2024

Meeting Date	Agenda Item Description	Priority (Legal or RHFD Required, Board Priority, Closed Session, Board Other, Staff Other)	Responsible Party (Board, Staff, Counsel, etc.)	Report (R), Presentation (P), Resolution (RES), Contract (C), RFP	Item Type (Action, Discussion, Receipt of Report, Information, Public Hearing, etc.)	Comments (Requested by, Updates, etc.)
Oct. 18	Chief's Performance Evaluation	Closed Session	Board, Counsel	N/A	N/A	DONE. Completed by Board Nov 8, Eval signed by Chief Dec 18
	Prevention Fees	Legal	Staff	N/A	Discussion	No report, information and discussion only. Public Hearing for Fee Approval in March.
	Benefit Assessment Protest	Legal	Staff	R	Public Hearing, Action	DONE. Assessment rates approved in May: RES NO. 2023-03
	CPRA Minor Procedure Updates	Legal	Staff	R	Information	DONE. Procedure updates per Aug. Board meeting. Accepted by Board.
	Emergency Bathroom & Renovations Stations 76 & 75 and Emergency Care Quality Assurance & Support Services Agreement	Board Priority & Legal	Staff, Counsel	R, RES, C	Action	DONE. Station 76 & 75 bathroom emergency repairs & renovations, EMS medical care quality assurance and support services. (Nurse Greg) Approved by Board.
	Management of Agenda Items and 2024 Annual Calendar	Board Priority	Bowman	P	Discussion & Action	DONE. Future agenda items format, including quarterly presentation to Board and 2024 annual admin. calendar (Info.) approved by Board. Calendar to be in Jan Board packet and quarterly presentation beginning Feb.

Nov. 8	Update on Possible Meas O Waiver of Zero Value Parcels	Legal	Staff, Counsel	R, P, RES	Action	Moved from Oct. to Nov. because data needed from County. Resolution only if needed to support changes to Meas O. Follow-up from Aug. Board meeting. Completed-no changes. Staff to follow-up with County on waiver of late fees by county for the 178 parcels. Update TBD.
	Review of Strategic Plan & Business Implementation Plan	Board Priority	Board	P	Action	DONE. Possible approval of brochures for distribution. Approved by Board. SP Ad Hoc to coordinated distribution with Chief.
	Procurement of Station Alerting Systems	Board Priority, Legal	Staff, Counsel	R, RES, RFP, C	Action	DONE. Approved by Board. District did not receive Meas X funds for alerting system. Chief to move forward with purchase in Dec. Update at Jan Bd meeting in Chief's report; system to be installed in Jan.
	District EMS Responsibilities	Legal	Staff	P	Information	DONE. Board seeking clarification of District Responsibilities. Per Chief request move to Feb 2024.
	District Process for Onboarding Directors & Meas. O Committee Members	Board Priority	Saff	R	Information	Onboarding of Directors & Meas O committee members to ensure legal requirements are met, individuals and Board are aware of when their term ends. Update moved to April per Chief's request.

AGENDA ITEM 23

	Role of General Counsel & Board Management of Interactions with Counsel	Board Other	Counsel	R	Information	DONE. Director's request.
	Transcription of RHFD Minutes	Board Other	Davidson	R	Discussion & Action	DONE. Info. on transcription of Board Mins. Software. Director Davidson to coordinate with Chief. Review with Mr. Pio Roda for legal compliance; he had no concerns. Directors Bowman and Davidsn met with Chief, Tammy and Kimberly to review options. Director Davidson and Tammy to review options and share with Chief, who will purchase the service (nominal fee) if requested and report out via Chief's report in Feb. Admin. will maintain existing process for preparation of minutes; will use free Zoom transcription options as needed. Board may request a Zoom summary or transcription by request.
	Measure O Fire Service Parcel Tax for Bayfront High-Rise Apartments Re: "Leland Traiman v. Alameda Unified"	Board Other	Davidson	R	Discussion & Action	DONE. Mr. Pio Roda is reviewing the Courts ruling on Leland Traiman v. Alameda Unified and its possible applicability to Meas. O. Director Davidson will share Mr. Pio Roda's opinion & options for Board consideration in Jan. Ad Hoc created to review possible Meas. O ordinance options.
	First Quarter Budget Review	Board Priority	Staff	R & P	Information	DONE. Supporting payroll documents from County available Oct. 16 as payroll info. not available till Oct. 12.

Nov. 29	Special Meeting: Strategic Plan Workshop	Board Priority	Consultant Mike Despain	P	Discussion & Action	Hold date & time. Despain led workshop, 6PM-8PM. Moved to Dec 13.
---------	--	----------------	-------------------------	---	---------------------	---

Dec. 13	Special Meeting: Strategic Plan Workshop	Board Priority	Consultant Mike Despain	P	Discussion & Action	DONE. Hold date & time. Despain led workshop 6PM-8PM.
---------	--	----------------	-------------------------	---	---------------------	---

Jan. 10	Consideration of Meas. O Assessment to Unit vs. Parcel	Board Priority, RHFD	Director Davidson	R	Action	DONE. Ad Hoc created for recommendation of a consultant to assist Board in analysis and feasibility.
	Financial Stability Considerations for Special Districts	Board Priority	Board, RHFD	R, P, RES,	Action	DONE. Gathering info. from State & National Chapters & Business Affiliates; they hire grant writing agencies. Board Alternate Funding Ad Hoc to present with Chief Agreement to hire a grant writing company to meet various District needs. Board approved hiring TPA.
	District Reorganization	Legal, Board Priority	Board		Action	DONE. Selection of Chair and Vice-Chair
	Annual Calendar	Board Priority	Board	Calendar	Informational	DONE. Annual Calendar prepared in coordination with Chief. Approved by Board at Oct meeting. To be included in Jan. Board packet
	Bathroom Renovations and Additional Funding Request	Board Priority, RHFD	RHFD	R, Estimates	Action	DONE. Approved by Board.

AGENDA ITEM 23

	CSDA Key Learnings Survey Report	Board Priority	Board	R	Informational	DONE. Ad Hoc will recommend moderator for Board workshop on Feb. 21.
	Local Hazard Metigation Program	Board, Legal, RHFD, State	Staff	R, P, RES	Informational	DONE. District coordinating with City of Hercules. Presentation in January. Future updates TBD by Chief.
	Presentation of Fire Prevention fees	Board, Legal, RHFD, State	Staff	R, P, RES	Informational	DONE. Public Hearing in Feb. or Mar.
	Auto Aid services agreement with Crockett-Carquinez Fire Protection District	Board, Staff, Legal	Staff	R,	Action	DONE. Approved by Board.

Jan. 31	Special Meeting Strategic Plan	Board Priority	Consultant and Ad Hoc	R, P	Discussion & Possible Action	DONE. Meeting 6pm-8pm. Waiting direction from Mr. Pio Roda on whether a PH is required as Board is considering modifying OPS standards. PH requires 30 day public notice. No PH required.
---------	--------------------------------	----------------	-----------------------	------	------------------------------	---

Feb. 14	Receive Mid-Year Budget Report	Board, Legal, RHFD, State	Staff	R, P, RES	Informational	DONE. Update from Chief.
	Firefighter of the year proclomation	Board	Staff	P	Proclomation	DONE. Proclomation of FFOTY by Board Chair
	Local Hazard Mitigation Program	Board Priority, Staff, Legal	Staff	R	Discussion and Action.	DONE. District coordinating with City of Hercules. MJLHMP presented in draft and comments received for submission to the County.
	Quarterly Report on Future Agenda Items	Board Priority, Staff	Staff and Chair	R	Info. & Discussion.	Quarterly report approved by Board. Chair to coordinate with Chief discuss moving it to monthly reporting.
	Modification to agreement with M.E.D. Enterprises	Board, Staff, Legal	Board	N/A	Discussion poss act	Discuss possible modifications to contract
	Measure O Ordinance revisions	Board, Legal, RHFD, State	Board, AdHoc	N/A	Discussion poss act	Discussion
	CSDA Key Learning workshop	Board, AdHoc governance	Board, AdHoc	N/A	Discussion poss act	Discussion
	District EMS Responsibilities	Legal	Staff	P	Information	DONE. Board seeking clarification of District Responsibilities. Per Chief request move to Feb 2024.

Feb. 21	Special Meeting Stratific Plan RFP	Board Priority	Consultant and Ad Hoc	R, P	Discussion & Possible Action	CSDA workshop moved to Mar. 27
---------	------------------------------------	----------------	-----------------------	------	------------------------------	--------------------------------

Mar. 13	Public Hearing Fire Prevention Fees	Board, Legal, RHFD, State	Staff	R, P, RES	Public Hearing, Discuss	Board to hold public hearing and discuss and adopt updated fire prevention fees and corresponding ordinance.
	Receive 2022-2023 Annual Audit Report	Board, Legal, RHFD, State	Consultant, Staff	R, P	Board Recieves Report	
	Receive 2022-2023 Measo O Annual Audit Report from Chief	Board, Legal, RHFD, State	Staff	R, P	Board Recieves Report	
	Agreement for services M.E.D. Enterprises	Board Priority	Board	Res	Discussion & Possible A	Consider and approve agreement for services and contract extension for M.E. D Enterprises Michael Despain
	Agreement for services Strategic Advisory Services	Staff	Staff	R, Res	Discussion & Possible A	Consider and approve agreement for financial services SAS
	Agreement for services Redwood Public Law	Board Priority	Board/Staff/Legal	R, Res	Discussion & Possible Action	Consider and approve agreement for legal services Redwood Public Law

AGENDA ITEM 23

Mar. 27	Special Meeting CSDA Key Learnings	Board Priority	Consultant and Ad Hoc	Workshop	Discussion & Possible Action	Workshop facilitated by moderator who will assist Board in prioritizing and implementing key learnings. Moved from Feb. 21.
Apr. 10	Weed Abatement	Board Priority	Staff	R,P	Discussion	Initial report and presentation of weed abatement program
	Report on state mandated fire prevention inspections	Board Priority	Staff, CSG Consul	R,Res	Discussion and Possible Action	Board receives 1205 compliant report and resolution on completion of annual state mandated fire prevention inspections.
	Measure O CPI Increase Public Hearing	Board Priority, Legal	Legal	R, Res	Public Hearing, Discussion and Possible Action	
	County Wildfire Mitigation Program Presentation	Board Priority, Staff	Michelle Rinehart	P	Information/Discussion	Presentation given by CCCFPD re: wildfire mitigation services and accessibility
	Cal Fire Area Operating Plan AOP	Staff	Staff	R, Res	Consent / Action	Agreement with CalFire and local regional agencies on Area Operating Plan for wildfires and large incidents.
	Update to District Process for Onboarding Directors & Meas. O Committee Members	Board Priority	Staff	R	Information	Onboarding of Directors & Meas O to ensure legal requirements are met, individuals and Board are aware of when their term ends. Update moved to Feb per Chief's request.
	AFG Grant Submittal	Board Priority, Staff	Staff	R,Res	Consent / Action	Agree to support AFG grant submittal for Radios and Cardiac Monitors and, if award is received, accept award.
	Possible Update on Waiver of Meas. O Parcel Late Fees	Legal	Staff, Counsel	R, P, RES	Discussion	Follow-up from Aug. Board meeting. Moved from Oct. to Nov. because data needed from County. Resolution only if needed to support changes to Meas O. Completed-no changes. Staff to follow-up with County on waiver of late fees by county for the 178 parcels. Update TBD.
May 8	Benefit Assessment Resolution	Board Priority, Staff	Staff		Discussion and Possible Action	
	ROPS-Bob Campbell presentation	Board		P	Information	
	Weed Abatement Ordinance and Public Hearing	Board Priority, Legal, Staff	Staff, Financial consultant	Res, Ord	Public Hearing, Discussion Possible Action	Board to hold public hearing on weed abatement program discuss and adopt ordinance.
June 10	2024/25 FY Budget presentation and adoption	Board Priority	Staff, Financial consultant	R.P, Res	Discussion and Possible Action	Board receive and adopt 24-25 FY budget