

DISSOLVING AND SUCCESSOR DISTRICTS AGREEMENT

This Agreement is made and entered into as of May 20, 2025 by and among the RODEO HERCULES FIRE PROTECTION DISTRICT (“RHFPD”), the CONTRA COSTA COUNTY FIRE PROTECTION DISTRICT (“CCCFPD”) and the CONTRA COSTA COUNTY EMPLOYEES’ RETIREMENT ASSOCIATION (“CCCERA”). RHFPD, CCCFPD and CCCERA are each a “Party” hereto and are collectively referred to herein as the “Parties.”

RECITALS

WHEREAS, CCCERA is a cost-sharing multiple-employer public employees’ retirement plan funded in part by the County of Contra Costa, California (“County”), and other public agency districts located within the County; and

WHEREAS, CCCERA is managed and administered by its Board of Retirement in accordance with Government Code sections 31450 et seq., commonly referred to as the County Employees Retirement Law of 1937 (“CERL”); and

WHEREAS, RHFPD is a public agency district employer located within the County that has participated in CCCERA since in or about July 1, 1957; and

WHEREAS, CCCFPD is a public agency district employer located within the County that has participated in CCCERA since in or about December 29, 1964; and

WHEREAS, pursuant to action taken on or about December 11, 2024, the Contra Costa County Local Agency Formation Commission (“LAFCO”) approved the annexation of RHFPD into CCCFPD for all purposes, and the dissolution of RHFPD as a result of such annexation, effective at the end of June 30, 2025; and

WHEREAS, Exhibit C to LAFCO’s Resolution No. 2024/4 states: “RHFPD pension plans will change to be consistent with CCCFPD pension (CCCERA) ”; and

WHEREAS, on or about August 6, 2024, the Board of Directors of CCCFPD adopted Resolution No. 2024/10, which included, in part, that upon and after LAFCO’s approval of the dissolution of RHFPD and CCCFPD’s annexation of RHFPD, CCCFPD shall be the successor to all rights, responsibilities, properties, contracts, assets and liabilities, and functions of the RHFPD, all of which are to be transferred to CCCFPD as the successor to RHFPD, and all employees of the dissolved RHFPD shall become employees of CCCFPD, and

WHEREAS, on or about July 31, 2024, the Board of Directors of RHFPD adopted Resolution No. 2024/18, on terms consistent with those adopted by the Board of Directors of CCCFPD in its Resolution 2024/10; and

WHEREAS, CCCERA presently maintains on its books and records separate accounts for the pension assets and liabilities in the fund attributable to the active, deferred and retired employees and their beneficiaries of RHFPD and CCCFPD, respectively, and CCCERA calculates employer and employee pension contributions required to be paid into the fund on an annual basis by RHFPD and CCCFPD, respectively, on the basis of their separate accounts; and

WHEREAS, as of December 31, 2023, the separate account CCCERA maintains for RHFPD (“RHFPD Account”) reflected the following:

Valuation Value of Assets	\$49,585,141
Actuarial Accrued Liabilities	\$60,012,133
Unfunded Actuarial Accrued Liabilities	\$10,426,992
Active members	22
Deferred members	8
Retired members	22
Beneficiaries in pay status	7;

WHEREAS, CERL Sections 31453, 31453.5 and 31454 obligate RHFPD to make appropriate annual contributions to CCCERA to fund pension benefits for its employees and retirees and to amortize the unfunded actuarial accrued liability with respect to such pension benefits; and

WHEREAS, RHFPD desires to transfer the accrued pension liabilities of active RHFPD employees and their beneficiaries, as well as the current pension liabilities of all former deferred and retired RHFPD employees and their beneficiaries, to CCCFPD, with CCCFPD thereafter being responsible for providing for the retirement benefits of all such employees and their beneficiaries; and

WHEREAS, RHFPD and CCCFPD have agreed that upon the dissolution of RHFPD all current and future assets and liabilities on CCCERA's books and records attributable to the active, deferred and retired employees and their beneficiaries of RHFPD shall be transferred to and assumed by CCCFPD, and thereafter CCCFPD shall be solely responsible to CCCERA for timely payment of all employer and employee contributions attributable to the active, deferred and retired employees of RHFPD and their beneficiaries; and

WHEREAS, the pension assets and liabilities of RHFPD were last valued as of December 31, 2023, and CCCERA will have an updated valuation of RHFPD's pension assets and liabilities, including contributions and benefit payments, completed that will include the period of January 1, 2024 through June 30, 2025. The pension assets and liabilities will be further adjusted by actual rate of return on the valuation value of assets and time value of money, respectively, from January 1, 2024 to June 30, 2025.

WHEREAS, CCCERA desires to assure the continued funding of the retirement benefits attributable to the active, deferred and retired RHFPD employees and their beneficiaries now and

in the future, notwithstanding the dissolution of RHFPD, by way of CCCFPD's succeeding to the pension assets and liabilities of RHFPD.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties hereto mutually agree to the following covenants, terms and conditions:

1. TERM OF AGREEMENT. This Agreement shall be effective as of the Effective Date hereof, as defined in Section 10 below, and shall continue in effect indefinitely, unless otherwise amended in a writing duly executed by all of the Parties.

2. RHFPD ACCOUNT. As of the Effective Date of this Agreement, CCCERA shall transfer all pension assets and liabilities maintained for RHFPD members in the RHFPD Account to the account it maintains on its books and records for CCCFPD. All employer and employee contributions attributable to former active RHFPD employees as of the Effective date, and investment earnings credited to the assets of the RHFPD Account shall instead be credited to the CCCFPD Account. All benefit payments made to RHFPD retirees, their beneficiaries, and terminated employees on and after the Effective Date shall be charged against the CCCFPD Account. As of the Effective Date of this Agreement, CCCERA shall cease maintaining any RHFPD Account, having transferred all assets and liabilities relating to RHFPD members and beneficiaries to the CCCFPD Account.

3. CCCFPD OBLIGATIONS.

a. On and after the Effective Date of this Agreement CCCFPD shall be responsible for any and all employer and employee pension contributions required to be paid to CCCERA for the purpose of funding the retirement owed to former RHFPD employees and their

beneficiaries, successors and assigns, as determined by the Board of Retirement of CCCERA from time to time in its sole discretion.

b. CCCFPD's obligations to CCCERA with regard to the pensions of employees of RHFPD who become CCCFPD employees on the Effective Date shall be the same as CCCFPD's obligations to CCCERA for the pension of its own current employees, as required by applicable law, CCCERA policies and practices, applicable regulations and by-laws, and other governing policies and practices.

c. CCCFPD acknowledges that certain members of CCCERA previously employed by RHFPD earned benefits while in service to RHFPD under a cost-of-living adjustment (COLA) that was higher than the COLA applicable to comparable employees of CCCFPD. Notwithstanding anything to the contrary in this Agreement, such former employees of RHFPD who will become employees of CCCFPD and who retire will be entitled to receive in retirement a COLA calculated at the higher level earned during their service with RHFPD together with the level of COLA earned during their subsequent service with CCCFPD. CCCERA shall pro-rate the cost-of-living adjustments such employees receive in retirement based on the benefits earned from employment with each employer. By way of illustration only, if a retired member had a calculated service retirement benefit of \$5,000 from their service with RHFPD with a maximum annual COLA of 3% and a calculated retirement benefit of \$5,500 with CCCFPD with a maximum annual COLA of 2%, CCCERA shall increase the \$5,000 retirement allowance by 3% and the \$5,500 of the retired member's retirement allowance by 2% when calculating the maximum annual cost-of-living adjustment each year.

4. NOTICES. Notices or other communications to the parties as provided by this Agreement shall be given by United States mail postage prepaid as follows:

TO CCCERA
Contra Costa County Employees Retirement System
Attn.: Chief Executive Officer
1200 Concord Avenue,
Suite 300,
Concord, CA 94520

TO RHFPD
Rodeo-Hercules Fire Protection District
Attn: Fire Chief
1680 Refugio Valley Road
Hercules, CA 94547

TO CCCFPD
Contra Costa County Fire Protection District
Attn: Fire Chief
4005 Port Chicago Hwy, Suite 250
Concord, CA 94520

Notice shall be deemed to have been served when it is deposited in the United States mail, postage prepaid, and addressed as above required. The parties by notice given hereunder may designate different addresses to which subsequent notices or other communications will be sent.

5. CHOICE OF LAW AND PERSONAL JURISDICTION. This Agreement is made in Contra Costa County and shall be governed and construed in accordance with the laws of the State of California. Any action relating to this Agreement shall be commenced in the state courts of Contra Costa County, State of California.

6. ALTERATION AND AMENDMENTS. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in the form of a written amendment to this Agreement duly executed by each of the Parties.

7. SUCCESSORS AND WAIVER. This Agreement shall bind the successors of RHFPD, CCCFPD and CCCERA in the same manner as if they were expressly named, unless otherwise precluded by law. Waiver by either party of any default, breach or condition precedent

shall not be construed as a waiver of any other default, breach or condition precedent, or any other right hereunder.

8. HOLD HARMLESS/INDEMNIFICATION. Each Party shall defend, indemnify, save, and hold harmless the other and its elected and appointed officials, officers, trustees, agents and employees from any and all claims, costs and liability for any damages, sickness, death, or injury to person(s) or property, including without limitation all consequential damages, from any cause whatsoever arising directly or indirectly from or connected with this Agreement, save and except claims or litigation arising through the sole negligence or sole willful misconduct of that party or its officers, trustees, agents or employees. Each Party will reimburse the other for any expenditures, including reasonable attorneys' fees, that such Party may make by reason of the matters that are the subject of this indemnification, and if requested by one Party, the other Party will defend any claims or litigation to which this indemnification provision applies at its sole cost and expense.

9. MISCELLANEOUS.

- a. Each Party hereto represents and warrants that it has been duly authorized to enter into this Agreement by duly noticed action of its governing board in public session.
- b. The Parties hereto agree to execute and deliver such additional documents and instruments and to perform such additional acts as any Party may reasonably request or as may be reasonably necessary or appropriate to effectuate, consummate, or perform any of the terms, provisions, or conditions of this Agreement.
- c. This Agreement shall be construed, enforced and administered in accordance with California law. The parties hereto are each represented by counsel and have been so represented throughout all negotiations and the drafting of this Agreement. Any rule of

construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applied to this Agreement.

d. This Agreement constitutes the full agreement of the parties hereto and supersedes any and all other prior agreements and all negotiations leading up to the execution of this Agreement, whether oral or in writing, between the parties with respect to its terms.

e. Should any part, term, portion or provision of this Agreement be decided finally to be in conflict with any law of the United States or the state of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

10. EFFECTIVE DATE. The Effective Date of this Agreement shall be the later of (a) the date when CCCFPD becomes the successor agency to RHFPD, currently expected to be on July 1, 2025 at 12:01 a.m., or (b) the date this Agreement has been executed by all of the Parties hereto.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

Dated: _____

CONTRA COSTA COUNTY
EMPLOYEES' RETIREMENT
ASSOCIATION

By: _____

Its: Chief Executive Officer

Dated: _____

RODEO HERCULES FIRE
PROTECTION DISTRICT

By: _____

Its: _____

Dated: _____

CONTRA COSTA COUNTY FIRE
PROTECTION DISTRICT

By: _____

Its: _____