



August 10, 2021

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

Dear Chief Craig,

Based on our recent conversations Municipal Resource Group (MRG) has prepared a draft proposal for the Rodeo Hercules Fire District's consideration. The draft is based on our discussions regarding the potential annexation of the District to Contra Costa County Fire District and the District Board's potential interest in examining this opportunity more fully.

Our proposal briefly outlines the project which contains six distinct tasks which, when taken together, will provide the Board the following:

- A thorough high-level review of the AP Trident Report;
- A focused review of each of the key areas contained in the report, providing an analysis and findings regarding each;
- A series of findings upon which the District can base a strategic planning effort if it determines to pursue that course of action;
- A set of recommendations regarding the proposed annexation;
- An examination of alternatives and requirements the District will encounter if it determines not to complete the annexation.

This draft proposal is intended only to serve as a discussion/focal item for the Board's review and consideration. If the Board decides to engage MRG to conduct the project, further refinement and discussions will be required to complete the proposal for the District's review.

Feel free to call me if you have any questions.

Sincerely,

Mike Oliver, President
Municipal Resource Group

Rodeo Hercules Fire District Analysis of the AP Triton Report & Recommendations

Overview

The Rodeo Hercules Fire District has been engaged in an annexation feasibility study for the past year. The Contra Costa Consolidated Fire District (Con Fire) engaged AP Triton to conduct a feasibility study to explore consolidation of Con Fire with the East Contra Costa Fire Protection District. During that study Rodeo Hercules Fire District (RHFD) joined the study and participated in the project. The AP Triton report provides a detailed and reasonably comprehensive review of the three potential participants in a potential annexation.

The study concluded that it was feasible and to RHFD's advantage to join the process of annexing to Con Fire. Recent public input and Board discussions have resulted in the Board's interest in obtaining an objective third party analysis of the AP Triton report and conclusions. The District has requested Municipal Resource Group (MRG) develop a proposal to review the AP Triton report, develop information on the potential advantages and disadvantages of annexation, provide options to annexation and recommend a course of action. Additionally, the information developed by MRG will provide the basis for the District to develop a strategic plan in the event it determines not to participate in the annexation.

MRG is proposing to conduct the following tasks:

Task 1:

Complete a high-level review of the AP Triton assessment of the District's financial position and project revenues and expenditures for the next five years. MRG will identify any inconsistencies in the report and describe the financial advantages and disadvantages of annexing to Con Fire.

Task 2:

MRG will complete a high-level review of the AP Triton assessment of current and future service demands due to projected growth in resident population and business activity and describe the advantages and disadvantages of annexing to Con Fire in meeting future service demands.

Task 3:

MRG will complete a high-level review of the AP Triton analysis of the Department's current physical assets (facilities and equipment) and provide a projection of their adequacy over the five-year timeframe. An assessment of potential need for a third station proximate to developing residential and commercial areas will also be developed.

Task 4:

MRG will provide a review and analysis of the current functionality of Battalion Seven and its applicability and adequacy to address future growth if the annexation is not completed.

Task 5:

MRG will provide an analysis of the alternatives to annexation described in the AP Triton report and describe the advantages and disadvantages of each.

Task 6:

MRG will develop a recommendation regarding annexation and alternatives to the potential annexation to Con Fire. The materials gathered by MRG during the study and the additional data and analysis will provide the District adequate information to develop a strategic plan for addressing its future needs and activities if it remains an independent entity.

Task 7:

Project management, data review and development, conduct Board, staff, AP Triton, Con Fire, other identified and relevant individuals and agencies interviews—up to 13 interviews, prepare PowerPoints for Board presentations (2).

MRG will prepare an overview level report for tasks one through six as outlined above. In completing the various tasks, MRG will review the reports with staff and provide an update presentation to the Board. The final report will also be reviewed with staff and presented to the Board.

Projected Costs

Based on the five tasks described above, the project is estimated to cost approximately \$35,000. As discussed in the transmittal letter, once the Board has reviewed the proposed project and confirmed it's interest in proceeding, MRG will work with District staff to finalize the costs based on the Board's direction.

Project Schedule

MRG is prepared to begin the project upon issuance of a Purchase Order. The length of the project will be dependent on the District's meeting schedule, response to information requests and the collection of data from other independent agencies.

Project Team

Mike Oliver, President of MRG will serve as the project manager, Brian Kelly will provide fire related expertise, Michele Rodriguez will gather demographic and development information and Getachew Demeku-Ousman will provide financial data and analysis.

Mike Oliver – Partner Organizational Intervention, Realignment & Development MUNICIPAL RESOURCE GROUP, LLC

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Mike Oliver leads Municipal Resource Group's Organizational Intervention, Realignment and Development practice area and serves as 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 and special districts 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. He co-founded Municipal Resource Group in 2009 and provided consulting services to over 100 clients during the past 10 years.

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 & Management Services MUNICIPAL RESOURCE GROUP, LLC

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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 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.

Michele Rodriguez – Community Development and Planning

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Michele provides professional consultation services in the areas of organizational analysis, community development, municipal policy, and project implementation. With a 30-year career in both the public and private sectors focused on aligning Board of Supervisor/City Council goals with employee expectations, and program design and implementation.

Michele provides professional consultation services in executive support including:

- Consolidation review and Organization restructuring for efficiencies,
- Workforce analysis and identification of essential employees,
- Innovative, and experiential program design and implementation,
- Conducting management and employee evaluations,
- Improvements in city-wide and department-specific municipal processes,
- Development and implementation of annual or long-range budget projections and alternatives,
- Customer facing improvements, such as phone systems, employee response manuals, IT system efficiencies, and GIS and data info to customer,

- Strategic planning, such as management retreats, and team-based problem solving,
- Remote work strategies such as ZOOM use and meeting planning,
- Leading specialist teams in site survey, architectural, civil, landscape plans and special studies: CEQA, transportation, air quality, noise, archeology,
- Sustainability and Resiliency policies and programs,
- Community engagement: webinars, surveys, workshops, and conferences,
- General Plan, Land Use, Circulation, Open Space Plans, and Code Development and Implementation,
- Building Code Development, Adoption, and Construction Services

Michele served as the Development Services Director for the City of San Pablo, and Principal in Charge of Long-Range Planning including sustainability programs for the County of Marin. She has developed nation-wide first-of-its-kind programs including the first general plan with the overarching theme of sustainability; the Community Choice Aggregation Program; and implementation of one of the first Community Health Elements of a general plan.

Examples of her past work include Vallco Mall Development Agreement, Marin Countywide Plan, Energy Upgrade California, and implementation of the San Pablo Public Health Element. Michele has led controversial projects to amicable solutions including creek setbacks, CEQA lawsuits and the PG&E–Community Choice Aggregation lawsuit. She works collaboratively with multiple entities to achieve outcomes such as the Monte Sereno-Los Gatos- Cupertino – Santa Clara County Hillside Protection MOU.

Michele earned a Master of Urban and Regional Planning, and Economics from the San Jose State University. She is nationally certified by the American Planning Association as a member of the American Institute of Certified Planners, and the United States Green Building Council as a Leader in Energy and Environmental Design.

Brian M. Kelly – Fire Services; Emergency Medical Services; Emergency Preparedness; Mutual and Automatic Aid Planning
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Brian has over 35 years of experience in the Fire Service, including over 20 years as Fire Chief of three California Fire Departments. He was the Fire Chief and Emergency Services Director in the City of Millbrae for twelve years, the City of Union City for three years, and the City of San Mateo for five years. He also served as the Fire Marshal of Sonoma County for three years.

Brian retired in 2008 from the City of San Mateo and has remained actively engaged in Regional and National projects to enhance the emergency response readiness of the Fire Service. He has also served as interim Fire Chief at two Fire Departments: Stanislaus Consolidated Fire Protection

District and the National Park Service Fire Department at the Presidio of San Francisco. While with Stanislaus Consolidated, in addition to being the interim Fire Chief, Brian conducted the executive recruitment for the new Fire Chief, and began the process of annexing another Fire District and developing a contract to provide fire protection services to the City of Oakdale.

Brian served as a consultant for the International Association of Fire Chiefs working on a FEMA-sponsored project team to introduce formal mutual aid systems to all 50 States in the Nation, as well as all territories and Tribal Nations. As part of this project, he worked with representatives from eight different states, including Alaska and Rhode Island, to develop fully functioning interagency mutual aid plans. In addition, he was a key member of a small group who worked on the development of regional inter-state operational plans.

During his Fire Service career, Brian was appointed to the State of California FIRESCOPE operations group, which is charged with maintaining and improving the California Mutual Aid System. The California Operations plans are being used as the model for the National Intrastate Mutual Aid System. He was also on the Board of Directors of the California Fire Chiefs Association, and he served as President of the San Mateo County Fire Chiefs Association for six years in the mid-1990s, when that group led a joint effort with the labor groups in San Mateo County to establish the San Mateo County Fire Service ALS Joint Powers Agreement. This Joint Powers Authority includes all of the Fire Agencies in San Mateo County. Brian represented the JPA in the development of the Joint Communications Center and the County Fire Service Automatic Aid and Operations Plans, which included complete boundary drops. The ALS JPA formed a public/private partnership with American Medical Services to jointly provide all advanced life support services in the County.

Brian also serviced as the Program Manager for California Task Force 3, which is one of the 28 FEMA sponsored Urban Search and Rescue Teams in the Nation. Task Force 3 has over 210 members, and must be ready to deploy anywhere in the Nation on four hours' notice.

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