



CITY OF OAKDALE CITY COUNCIL SPECIAL MEETING AGENDA



The City of Oakdale recognizes and supports the Choose Civility program, an initiative of the Stanislaus County Office of Education.

**City Council Chambers
277 North Second Avenue • Oakdale • CA 95361**

Wednesday, May 8, 2019

4:00 PM

City Council Chambers

Welcome to your City of Oakdale City Council special meeting.

**Your City Council are:
Mayor J.R. McCarty
Mayor Pro Tem Cherilyn Bairos
Council Member Ericka Chiara
Council Member Richard Murdoch
Council Member Christopher Smith**

Note: California law prohibits the City Council from taking action on any matter that is not on the posted agenda unless it is determined to be an emergency by the Council. All items will be referred to staff for follow-up and placed on a future agenda.

- 1. Call to Order – 4:00 p.m.**
- 2. City Council Members Present/Absent**
- 3. Pledge of Allegiance**
- 4. Presentations/Acknowledgements**
None Scheduled.
- 5. Additions/Deletions**
- 6. Public Comments**

Pursuant to California Government Code Section 54954.3(a), members of the public wishing to address the Council may do so, and such comments shall be limited to the Special Meeting topic(s). This is a Special City Council meeting. Public comment is restricted to only items listed on the agenda.

- 7. Consent Agenda**
No Items.
- 8. Public Hearings**
None Scheduled.
- 9. Staff Reports**



**CITY OF OAKDALE
CITY COUNCIL
SPECIAL MEETING AGENDA
Wednesday, May 8, 2019**

Next City Council Resolution: 2019-044

Next Ordinance: 1264

- 9.1 [Discuss current Fire Services Agreement with Stanislaus Consolidated Fire Protection District and options available to the City of Oakdale.](#)

Recommended Action: Discuss current Fire Services Agreement with Stanislaus Consolidated Fire Protection District and take formal action to either extend the Fire Services Agreement or pursue other options.

10. City Council Items

11. Adjournment

The next regular meeting of the Oakdale City Council will be held Monday, May 20, 2019 at 7:00 p.m. in the City Council Chambers.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Hall, 209-845-3571. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II).

Any documents produced by the City and distributed to a majority of the City Council regarding any item on this agenda will be made available in the City Clerk's office at City Hall located at 280 North Third Avenue, Oakdale, California.

DECLARATION OF POSTING

I, Julie Christel, Council Services and Legislative Records Manager for the City of Oakdale, certify that I caused to be posted a copy of the City of Oakdale City Council Agenda for the Special Meeting of Wednesday, May 8, 2019 at the City Council Chambers, 277 North Second Avenue on Tuesday, May 7, 2019.

Dated: May 7, 2019

/s/Julie Christel

Julie Christel

Council Services and Legislative Records Manager



City of Oakdale
Staff Report

Date: May 8, 2019

To: Mayor and City Council Members

From: Bryan Whitemyer, City Manager

Subject: Discuss Current Fire Services Agreement with Stanislaus Consolidated Fire Protection District (SCFPD) and Options Available to the City of Oakdale

I. BACKGROUND

On April 9, 2019 the City Council for the City of Oakdale and the Board of Directors for the Oakdale Fire Protection District held a special joint meeting to discuss sending a formal letter in response to SCFPD's letter dated February 15, 2019 (Attachment A). The City Council and the Board of Directors approved a letter that requested a one-year fire services agreement extension with SCFPD with the goal of negotiating a new long-term agreement. That letter was sent to the SCFPD Board and this letter was discussed at the SCFPD's regular board meeting held on April 18, 2019, its special meeting held on Wednesday, April 24, 2019, as well as its special meeting held on Thursday, May 2, 2019.

At its May 2, 2019 meeting the SCFPD Board indicated that they were having their legal counsel draft up a new agreement that would be available by the close of business on Monday, May 6, 2019. SCFPD has developed a new draft agreement (Attachment B) that will be discussed at its May 9, 2019 board meeting.

Details of the Agreement:

- 1) Term – 5-year term beginning July 1, 2019 and ending June 30, 2024
- 2) Annual Cost of Agreement – The new agreement does not provide an estimated annual cost for fire services.
- 3) Added new language to Article IV – Duties of District Under This Agreement.
 - “(b) The Fire Chief will generally manage Fire Services activities on behalf of Oakdale. The Fire Chief will coordinate the delivery of Fire Services under this Agreement and manage and supervise the personnel assigned to provide Fire Services to Oakdale. The Fire Chief shall not be expected to attend any Oakdale City Council meetings.”
 - “(c) The planning, organization, scheduling, direction, supervision, standards of performance and discipline of all personnel and all other matters relating to Fire Services to Oakdale shall be at the sole discretion of the Fire Chief. The Fire Chief shall retain exclusive authority over the activities of his or her personnel and equipment working in Oakdale.”
- 4) The old agreement required SCFPD to provide budget projections for the upcoming fiscal year each year no later than May 1st of that year. The new agreement changes that due date to May 31st.



CITY OF OAKDALE
City Council Staff Report

5) Adds language:

- “6.4.1. Unfunded Payroll Liabilities. Vacation and sick leave liability accrued after the execution of this Agreement on any personnel assigned to Oakdale shall be paid by Oakdale to the SCFPD as part of the Fees for Services Contemplated under this Agreement.

II. RECOMMENDATION

Discuss current Fire Services Agreement with Stanislaus Consolidated Fire Protection District and take formal action to either extend the Fire Services Agreement or pursue other options.

Attachments:

Attachment A: Joint Oakdale – Oakdale Fire Protection District Staff Report with Letters

Attachment B: Draft Agreement Proposal from SCFPD



City of Oakdale & Oakdale Fire Protection District
Staff Report

Date: April 1, 2019

To: Oakdale Fire Protection District Board & Oakdale City Council

From: Bryan Whitemyer, City Manager

Subject: Consider Approving Letter from the Oakdale Fire Protection District Board and the Oakdale City Council responding to the Letter dated February 15, 2019 from Stanislaus Consolidated Fire Protection District

I. BACKGROUND

In September 2014 the City of Oakdale and the Oakdale Fire Protection District (OFPD) entered into a five-year Fire Services Agreement with Stanislaus Consolidated Fire Protection District (SCFPD). Since that time SCFPD has handled all fire protection services in the City of Oakdale and OFPD jurisdictions. All fire personnel previously employed by the City of Oakdale and OFPD were transferred to SCFPD and became their employees. The City of Oakdale and the SCFPD have mutually benefitted from this contractual arrangement over the last several years.

The current five-year Fire Services Agreement expires on June 30, 2019. The City Council of the City of Oakdale will need to determine if it would like to enter into a new contract with SCFPD for an additional term or select another fire service delivery option.

The City of Oakdale sent a letter to SCFPD dated January 23, 2019 requesting a six-month fire services agreement and asked that SCFPD provide a response by February 15, 2019 (Attachment A). The OFPD sent a letter to SCFPD dated January 29, 2019 requesting a six-month fire services agreement as well (Attachment B). SCFPD sent letters dated February 15, 2019 responding to the City and OFPD. The letter to the City is included with this report as Attachment C. All three agencies in their correspondence identified items that warrant additional discussion and review.

The 2 + 2 Fire Services Committee made up of OFPD Board President Jane Lopes, OFPD Board Member Vincent Victorine, Mayor J.R. McCarty, and City Council Member Cheryl Bairo have reviewed significant information related to providing fire and emergency services to the residents of the OFPD and the City of Oakdale. Options considered included 1) creating a joint OFPD/City of Oakdale fire department, 2) contracting for fire services with other agencies, and 3) maintaining our partnership with SCFPD. After this extensive review the 2 + 2 Fire Services Committee believes that the best option at this time for the residents and businesses of the City of Oakdale, OFPD and SCFPD is to extend the agreement for a year with the goal of developing a new long-term agreement. An extension would allow for additional dialogue among the board members and staff members of all three agencies with the goal of fine tuning an agreement that has already provided significant benefits to the participating agencies.



CITY OF OAKDALE
City Council Staff Report

II. FISCAL IMPACTS

Currently, the fire services agreement has a cost to the City of Oakdale of approximately \$2,400,000 and a cost to the OFPD of approximately \$2,000,000. It is anticipated that a one-year extension would include some cost increases that could range between 2% and 5%.

III. RECOMMENDATION

The OFPD and City of Oakdale 2 + 2 Fire Services Committee recommend that the Board of Directors for the Oakdale Fire Protection District and the City Council for the City of Oakdale approve a letter to SCFPD requesting a one-year extension to the current fire services agreement that is set to expire on June 30, 2019 (Attachment D).

ATTACHMENTS:

ATTACHMENT A: JANUARY 23, 2019 LETTER FROM CITY OF OAKDALE

ATTACHMENT B: JANUARY 29, 2019 LETTER FROM OFPD

ATTACHMENT C: FEBRUARY 15, 2019 LETTER FROM SCFPD

ATTACHMENT D: DRAFT LETTER FROM OFPD AND CITY OF OAKDALE



Office of the City Manager

280 North Third Avenue | Oakdale, CA 95311 | Ph: (209) 845-3571 | Fax: (209) 847-6834

January 23, 2019

Mike Whorton, Fire Chief
Stanislaus Consolidated Fire Protection District
3324 Topeka Street
Riverbank, CA 95367

Rec'd
JAN 31 2019

Dear Chief Whorton:

Thank you for your letter of January 17, 2019. In that communication, you asked whether the City would like to continue with a contract for services with Stanislaus Consolidated Fire Protection District, and, if so, requested that the City submit a proposed contract with language modifications for your consideration by January 31, 2019.

In response, we would like to continue with a contract for services for six additional months (December 31, 2019) subject to the following conditions:

- Stanislaus Consolidated Fire Protection District (SCFPD) holds monthly 2 + 2 + 2 meetings with the City of Oakdale (City) and Oakdale Fire Protection District (OFPD).
- SCFPD hires outside firm to conduct a fiscal health assessment with input from City and OFPD.
- SCFPD amends agreement with OFPD to allow them the ability to recover costs for services provided by SCFPD within the OFPD jurisdiction.
- SCFPD allows the City of Oakdale and OFPD to be involved with the ratification of new MOU with IAFF Local 3399.
- SCFPD allows the City of Oakdale and OFPD to be involved with the review and ratification of future SCFPD operating budgets.
- Flat rate administrative charge is developed that better reflects the actual costs of hiring a new firefighter. The current administrative charge for new positions is excessive.
- Fire Intern Program is more actively supported so that interns can augment staff at City and OFPD stations on a regular if not daily basis.
- Ensure that adequate administrative personnel are available to serve the City and OFPD during the remainder of the contract.

We will provide the language modifications in a proposed contract by January 31, 2019, and, pursuant to Oakdale City Council direction at last night's meeting, need to receive your answer of acceptance or rejection to the above conditions of extension by February 15, 2019.

Sincerely,

Bryan Whitemyer
City Manager

P58

*"To Save Life & Property"***OAKDALE FIRE PROTECTION DISTRICT**

P.O. BOX 932
 OAKDALE, CALIFORNIA 95361
 PHONE (209) 543-0190
 FAX (209) 543-6719

Board Members. *Jane Lopes, President Raymond Martin Ryan Cope Vincent Victorine*

January 29, 2019.

Mike Whorton, Fire Chief
 Stanislaus Consolidated Fire Protection District
 3324 Topeka Street
 Riverbank, CA

Re: Agreement for Services

Dear Chief Whorton:

Thank you for your letter of January 17, 2019. In that communication, you asked whether the Oakdale Fire Protection District ("District") would like to continue with an Agreement for services with Stanislaus Consolidated Fire Protection District ("SCFPD"), and, if so, requested that the District submit a proposed Agreement with language modifications for your consideration by January 31, 2019.

This communication reflects the collective direction of the Board of Directors at our January 28, 2019 meeting.

Respectfully, any reasonable review of the communications on this matter would reveal that the District has consistently requested the terms for continuation of the Agreement without response from the SCFPD and even a temporary Agreement extension providing time to resolve the matter.

In specific response to your letter of January 17, 2019, the District would like to continue with an Agreement for services with SCFPD for six additional months (December 31, 2019), subject to the following conditions:¹

1. SCFPD holds monthly 2 + 2 + 2 meetings with the District and the City of Oakdale ("City");
2. SCFPD hires an agreed upon outside firm to conduct a fiscal health assessment with input from District and City;

¹ The District conditions parallel conditions set forth by the January 23, 2019 communication from the City of Oakdale of which you are aware.

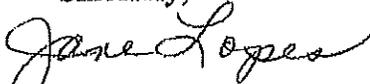
Mike Whorton, Fire Chief
 Stanislaus Consolidated Fire Protection District
 January 29, 2019
 Page 2 .

3. SCFPD amends the Agreement with District to allow the ability to recover costs for services provided by SCFPD within the District jurisdiction;
4. SCFPD involves the District and City with the ratification of any new MOU with IAFF Local 3399 and capital expenditures to the extent they are related to its operational budget;
5. SCFPD allows the District and City to be involved with the review and ratification of future SCFPD operating budgets;
6. A flat rate administrative charge is developed that more accurately reflects the actual cost of creating any new firefighter position as the current administrative charges for new positions are excessive and unrelated to the actual costs;
7. A flat rate administrative charge is developed that reflects the actual costs of hiring new administrative personnel;
8. The Fire Intern Program is more actively supported so that interns can augment Staff at District and City stations on a regular, if not daily basis.
9. Ensure that adequate administrative personnel are available to serve the District and City during the remainder of the Agreement; and,
10. SCFPD acknowledge that a condition of the extension is to explore and analyze the possible use of a Joint Powers Authority Agreement for a long-term commitment to provide for fire services.

We will provide the language modifications in a proposed Agreement by February 5, 2019,² and pursuant to District Board of Directors direction, will need to receive your answer of acceptance or rejection to the above conditions of extension by February 15, 2019.

Thank you for your anticipated timely review of this matter. A matter of fire service and public safety.

Sincerely,


 Jane Lopes, President

cc: Board Members

Bryan Whitemyer, City Manager
 City of Oakdale

Derek Nichols, Union President

² We could not schedule a Special Meeting of the Board until January 28, 2019. We request eight days to respond on Agreement modification, the same amount of time the City had to respond.



BEST BEST & KRIEGER
ATTORNEYS AT LAW

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Christopher J. Diaz
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February 15, 2019

BY E-MAIL

City of Oakdale
280 North Third Avenue
Oakdale, CA 95361

Dear Mr. Whitemyer:

This letter is written in response to your letter dated January 23, 2019 and your subsequent email dated January 31, 2019 to Fire Chief Michael Whorton attaching a draft copy of an amendment to the Agreement to Provide Fire Services between the Stanislaus Consolidated Fire Protection District and the City of Oakdale (the "Agreement"). As you know, the Stanislaus Consolidated Fire Protection District (SCFPD) Board of Directors has conducted two Special Board Meetings since receipt of the January 23, 2019 correspondence in order to provide a timely response by your stated deadline of February 15, 2019 as follows:

1. Stanislaus Consolidated Fire Protection District holds monthly 2 + 2 + 2 meetings with the City of Oakdale (City) and Oakdale Fire Protection District (OFPD).

SCFPD Response: The SCFPD Board agrees to this proposal, and the most recently held 2 + 2 + 2 meeting was initiated by the SCFPD Board President. Prior to that, the SCFPD Board members have routinely consulted informally with the City and OFPD and will continue to do so as long as the Agreement is in effect. This will provide an even greater level of communication.

2. SCFPD hires outside firm to conduct a fiscal health assessment with input from City and OFPD.

SCFPD Response: As was discussed during the SCFPD Special Board meeting, this is a completely new request from the City and is not fully explained in your letter, particularly with respect to who will fund this effort. SCFPD did retain a consultant to provide a financial modeling tool to guide the budgetary and finance process, enabling much greater accuracy and transparency. SCFPD will be sharing this financial modeling tool, at least initially, at the SCFPD Regular Board Meeting of February 14, 2019.

3. SCFPD amends agreement with OFPD to allow them the ability to recover costs for services provided by SCFPD within the OFPD jurisdiction.



BEST BEST & KRIEGER
ATTORNEYS AT LAW

City of Oakdale
February 15, 2019
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SCFPD Response: The SCFPD Board is fine with this proposal.

4. SCFPD allows the City of Oakdale and OFPD to be involved with the ratification of new MOU with IAFF Local 3399.

SCFPD Response: As was extensively discussed, the SCFPD is unable to accommodate this request without concurrence of the IAFF Local 3399. Either way, we believe this is a non-issue as the current MOU remains in effect until December 31, 2019, which is beyond the term of the Agreement and the currently requested 6-month extension of the Agreement.

5. SCFPD allows the City of Oakdale and OFPD to be involved with the review and ratification of future SCFPD operating budgets.

SCFPD Response: SCFPD has fully invited the City to all meetings and study sessions involving budget discussions, and adoption. SCFPD has a very open and transparent process for all agency matters and has always welcomed the City's input and comments. In the future, the formalized 2 + 2 + 2 meetings will provide an additional forum for the City to provide input on the budget.

6. Flat rate administrative charge is developed that better reflects the actual costs of hiring a new firefighter. The current administrative charge for new positions is excessive.

SCFPD Response: As discussed, the charges imposed by SCFPD are intended to provide reimbursement to SCFPD for the administration of services. Although SCFPD is most open to reviewing the specific costs, SCFPD cannot agree to a flat rate for services given that the cost to SCFPD cannot be assured to remain fixed.

7. Fire Intern Program is more actively supported so that Interns can augment staff at City and OFPD and OFPD stations on a regular if not daily basis.

SCFPD Response: As you may recall, the Fire Intern Program was discussed quite extensively during the SCFPD Special Board Meeting of January 31, 2019. As noted at that meeting, the program is actively supported by SCFPD where interns are recruited to provide supplemental staffing (and not replacement staffing). It is understood that the City would pay its fair share of costs for any interns.

8. Ensure that adequate administrative personnel are available to serve the City and OFPD during the remainder of the contract.

SCFPD Response: As discussed at the various special meetings held, SCFPD is fully committed to ensuring the successful administration of the Agreement. In fact, SCFPD is



BEST BEST & KRIEGER
ATTORNEYS AT LAW

City of Oakdale
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contemplating the hiring of a Finance & Administrative Manager given the ever increasing complex regulatory framework of the public sector.

9. As a condition of the requested 6-month extension, the City expects SCFPD to explore and analyze the possible use of a Joint Powers Authority Agreement (JPA) for a long term commitment to provide for fire services.

SCFPD Response: The feasibility of a JPA was discussed at SCFPD's January 2019 Regular Board Meeting, and both special meetings of January 31, 2019 and February 7, 2019. At this time, the SCFPD Board is not convinced that a JPA arrangement makes the best sense for SCFPD. As such, the SCFPD Board is not willing to agree to this condition at this time.

Finally, assuming the City is agreeable to items 1-9 above as modified by SCFPD, SCFPD requests that the City also agree to the following for any extension of the Agreement:

11. SCFPD believes there may be a shortfall on the part of City with regards to CalPERS costs for those employees that SCFPD absorbed when the contract was entered into. If a shortfall exists, SCFPD respectfully requests that the City provide reimbursement to SCFPD for these costs and commit to provide this funding on an on-going basis.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Chris Diaz', with a horizontal line extending to the right.

Christopher J. Diaz
for BEST BEST & KRIEGER LLP
General Counsel
Stanislaus Consolidated Fire Protection District



City of Oakdale City Council Oakdale Fire Protection District Board of Directors

280 North Third Avenue | Oakdale, CA 9531 | Ph: 209.845.3571 | Fax: 209.847.6834

April 9, 2019

Stanislaus Consolidated Fire Protection District
3318 Topeka Street
Riverbank, CA 95367

Dear Chairperson Zanker, Directors of the Board, and Chief Whorton:

The City Council of the City of Oakdale and the Directors of the Board of the Oakdale Fire Protection District (OFPD) respectfully request a one-year extension to our current fire service agreements that expire on June 30, 2019.

We have spent considerable time and effort exploring a variety of fire service options and believe that it is in the best interest of Stanislaus Consolidated Fire Protection District (SCFPD), OFPD, and the City of Oakdale to extend our agreement for an additional year with the goal of developing a long-term fire services agreement.

We recognize the value of working together and know that this this arrangement has provided significant benefits to our three agencies and the constituents we serve. We have successfully merged our firefighting resources where today we collectively staff eight (8) fire stations strategically located within our combined 500 square mile jurisdictions. We have reduced duplication and redundancy in administration with one fire chief and one administrative support team which has allowed for greater line level staffing. Our minimum daily staffing of 22-line members in eight companies brings a much greater depth of resources than could be accomplished singly. We benefit from economies of scale in purchasing of equipment and supplies. We have improved fire ground efficiencies and safety, and have maximized the use of our combined resources. We embrace our involvement as part of the Master Automatic and Mutual Aid Agreement program bringing borderless boundaries and the closest resource with the appropriate level of response for each emergency and incident to all our jurisdictions. With the development and implementation of standard operating procedures, standardized training, and seamless fire ground tactics between all participating agencies, we have enhanced firefighter safety and efficiency.

Moving forward with our relationship and extending this agreement is critical for the continued delivery of emergency fire and life safety services to all our residents. Additionally, we need to stabilize this partnership for the benefit of our dedicated fire and emergency services personnel who stepped up and supported this unification from the beginning and are now experiencing feelings of uncertainty with the "unknown" of their future.

We respectfully request a one-year agreement extension with the commitment that, during the first half of the extension period, we will work together with SCFPD to review/revise and develop a long-term contract with the intent of a July 1, 2020 initiation. During the agreement extension discussions, all topics will be reviewed, including perceived deficiencies that may exist as identified in earlier correspondence. A thorough review and revision to this agreement will provide the best course of action. It is our responsibility to the constituents of our jurisdictions to work through change and maintain our effective, efficient partnership. This three-agency partnership provides the best possible level of service within the fiscal limitations of each of our jurisdictions.

Attached are resolutions from the City of Oakdale and OFPD approving a one-year contract extension to the current agreement ending June 30, 2019, extending it through June 30, 2020. Our hope is that SCFPD agrees with this approach and accepts this extension with the goal of developing a long-term agreement. The plan would be to convene the 2+2+2 Committee on at least a monthly basis going forward so that a new long-term agreement could be developed. This new agreement would be vetted initially by the 2+2+2 Committee and then publicly reviewed during board and council meetings of our respective agencies. This would be done with the goal of openness and transparency to our constituencies.

We look forward to hearing from you.

Respectfully,

Mayor J.R. McCarty
City Council, City of Oakdale,

Chairperson Jane Lopes
Board of Directors, Oakdale Fire Protection District

**DRAFT AGREEMENT PROPOSAL FROM SCFPD
MAY 6, 2019**

Attachment B

**AGREEMENT TO PROVIDE FIRE SERVICES BETWEEN THE STANISLAUS
CONSOLIDATED FIRE PROTECTION DISTRICT AND THE CITY OF OAKDALE**

THIS AGREEMENT TO PROVIDE FIRE SERVICES BETWEEN THE STANISLAUS CONSOLIDATED FIRE PROTECTION DISTRICT AND THE CITY OF OAKDALE ("Agreement") is made and entered into this 1st day of ~~September~~July, 2019~~14~~ (the "Effective Date"), by and between the Stanislaus Consolidated Fire Protection District ("District"), a California Special District organized and existing under the Fire Protection District Law of 1987 (Health & Safety Code § 13800 *et seq.*) and the City of Oakdale, a municipal corporation and general law city ("Oakdale"). Oakdale and District are sometimes individually referred to as a "Party" and collectively referred to as the "Parties" in this Agreement.

RECITALS

WHEREAS, District provides fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space rescue, technical rescue, and water rescue within the County of Stanislaus ("County"); and,

WHEREAS, beginning July 1, 2012, District entered into a contract with the Oakdale City Fire Department and Oakdale Fire Protection District to provide management services; and,

WHEREAS, the Parties have determined that a further contract to administer fire and emergency services, operations, and delivery would achieve the most efficient and effective delivery of fire services; and,

WHEREAS, Oakdale desires to contract with District solely for the provision of Fire Services as defined in Agreement Section 1.2 within Oakdale's service boundaries; and,

WHEREAS, District is willing and able to perform such Fire Services; and,

WHEREAS, the Parties have the power to provide Fire Services to their mutual advantage and to provide each other with fire protection services to maximize the delivery of those services in both jurisdictions; and,

WHEREAS, the Parties agree that this Agreement will further ensure provision of Fire Services within each jurisdiction; and,

WHEREAS, it is the desire of the Parties to address, by this Agreement, all matters which are related to the services to be provided to Oakdale by District; and,

WHEREAS, this Agreement is entered into pursuant to Government Code § 54981 and § 55632, and Health and Safety Code Section 13800 *et seq.*, including, but not limited to, § 138610, § 13862, § 13863, and § 13878.

WHEREAS, Oakdale acknowledges it has complied with the provisions of the Meyers-Milias-Brown Act (Gov. Code §§ 3500 *et seq.*) with respect to its employees affected by this Agreement.

NOW, THEREFORE, for and in consideration of the mutual advantages to be derived therefrom, and in consideration of the mutual covenants in this Agreement, it is agreed by and between the Parties hereto as follows:

ARTICLE I
DEFINITIONS

I.I. Capital Improvements.

"Capital Improvements" means structural repairs and similar improvements which are the type of improvements which would be added to the tax "basis" if the property were owned by a non-governmental entity.

1.2 Fire Services.

"Fire Services" means those services described in Article IV of this Agreement and authorized by Health and Safety Code section 13862.

1.3 Fiscal Year.

"Fiscal Year" means the annual period commencing on July 1 and ending June 30 of any calendar year.

ARTICLE II
TERM OF AGREEMENT

2.1 **Initial Term.** The initial term of this Agreement shall be for ~~four~~ five (54) years and ~~ten (10) months~~ from ~~September~~ July 1st, 2019~~4~~ through June 30, 2019~~2024~~.

2.2 **Extension of Term.** This Agreement may, by resolution of both District Board of Directors and Oakdale City Council, be extended for an additional five (5) year increment, if both parties agree, no later than June 30, 2018.

Commented [1]: Delete?

2.3 **Termination.** Notwithstanding Section 2.1 and Section 2.2 of this Agreement, either Party may terminate this Agreement by providing twelve (12) months' written notification to the other Party, and the term of this Agreement or any extension thereof shall be shortened accordingly. Written notification of termination shall be in the form of a Resolution of the District Board or Oakdale City Council, and shall be provided to the Parties of this Agreement, or their successors. Upon termination of this Agreement, District will transfer to Oakdale the equipment and apparatus described in Exhibit A, reasonable wear and tear excepted. The District may terminate this Agreement if Oakdale fails to make timely payments for service per Section 6.3 of this Agreement.

**ARTICLE III
FACILITIES AND EQUIPMENT**

3.1. **Title.** For the duration of this Agreement, Oakdale shall transfer title to District of vehicles and apparatus described in Exhibit A to enable District to provide services to Oakdale pursuant to this Agreement as well as to provide local mutual and automatic mutual aid, statewide master mutual aid and assistance by hire pursuant to the California Fire Assistance Agreement. District may also, when necessary, use any vehicle or apparatus described in Exhibit A as relief apparatus throughout the District.

3.2. **Use of Equipment.** For the duration of this Agreement, Oakdale shall provide use of all emergency equipment, not transferred under Section 3.1, but currently assigned to the Oakdale Fire Department, to provide services to Oakdale pursuant to this Agreement to provide local mutual and automatic mutual aid, statewide master mutual aid, and assistance by hire pursuant to the California Fire Assistance Agreement.

3.3. **Maintenance, Repair and Replacement of Equipment, Vehicles and Apparatus.** Oakdale shall bear all actual costs of preventive maintenance and repair of equipment, vehicles, and apparatus described in Exhibit A. Should an insurable event result in irreparable damage to any equipment, vehicle, or apparatus described in Exhibit A, Oakdale shall bear the portion of the actual replacement cost that exceeds the amount of any payment for said irreparable damage received under the insurance coverage described in Section 9.3 of this Agreement. Oakdale shall maintain an equipment and apparatus replacement program with annual funding allocations to ensure funds are available to replace equipment and apparatus when they reach the end of their service life.

3.3. **Use, Maintenance and Repair of Facilities.** Oakdale will maintain ownership of Fire Station 4 (450 S Willowood Drive, Oakdale, California), Fire Station 5, and Fire Station 5 Training Annex (325 E. G Street, Oakdale, California) as identified in Exhibit B of this Agreement. Oakdale shall provide the District with full and complete access and full and complete use of Fire Station 4, Fire Station 5 and Fire Station 5 Training Annex during the term of this Agreement. District shall bear all costs of normal preventive maintenance and repair of the facilities. The actual costs of any Public Project, repair, or facility equipment replacement will be the responsibility of Oakdale. Oakdale shall maintain a capital facilities maintenance program with annual funding allocations to ensure funds are available to for the actual costs required to replace and/or repair facility equipment and components (*e.g.* roofs, HVAC systems, exterior/interior paint) that are Public Projects.

**ARTICLE IV
DUTIES OF DISTRICT UNDER THIS AGREEMENT**

4.1. **Scope of Services.** District shall provide Fire Services within the jurisdictional area of Oakdale as more specifically described in Agreement Section 4.2. In providing such services, District shall administer the provisions of Oakdale Municipal Code Chapter 12 entitled "Fire Protection" ("Oakdale Fire Code") and other Oakdale rules, regulations, policies and procedures as

applicable to this Agreement,

(a) Throughout the term of the Agreement and as needed or as requested by Oakdale, District shall consult with Oakdale regarding District's implementation of the provisions of this Agreement.

(b) The Fire Chief will generally manage Fire Services activities on behalf of Oakdale. The Fire Chief will coordinate the delivery of Fire Services under this Agreement and manage and supervise the personnel assigned to provide Fire Services to Oakdale. The Fire Chief shall not be expected to attend any Oakdale City Council meetings.

(c) The planning, organization, scheduling, direction, supervision, standards of performance and discipline of all personnel and all other matters relating to Fire Services to Oakdale shall be at the sole discretion of the Fire Chief. The Fire Chief shall retain exclusive authority over the activities of his or her personnel and equipment working in Oakdale.

Commented [2]: This section could acknowledge the 2 + 2+ 2 meetings if there is a Board desire to memorialize those meetings in the Agreement.

4.2. Description of Fire Services to be provided by District. The District shall provide the following Fire Services:

(a) Fire Department Administration. District shall provide the following administrative and support services necessary to maintain Fire Services within Oakdale:

(i) Fire Services program planning and administration consistent with the terms and conditions of this Agreement.

(ii) Development and administration of the annual Oakdale Fire Services budget.

(iii) Coordination and administration of Oakdale Fire Services subprograms as authorized and funded within the Oakdale Fire Services budget, as that budget may be modified from year to year.

(iv) Providing and supporting an "Intern" Firefighter Program at cost to Oakdale where such interns serve Oakdale. Oakdale City Reserve Firefighters, who meet the minimum requirements and remain in good standing, will be offered positions as District "Intern" Firefighters.

(v) Delivery and documentation of federally- and state-mandated firefighter training as well as provision of additional training as authorized and funded within the District's budget.

(vi) Provision of a Chief Fire Officer or qualified acting Chief Fire Officer, or if no Chief Officer is available, a Company Officer or qualified acting Company Officer, to assist with emergency and disaster management within the Oakdale Emergency Operations Center as timely requested by the Oakdale City Council.

(vii) Coordination of procurement of all operational supplies, services, and equipment as necessary to provide the Fire Services outlined in this Agreement.

(viii) When requested by Oakdale, the District shall provide plan review services of all development and building plans to ensure compliance with applicable fire and life

safety codes and regulations, as well as inspection of fire protection and fire alarm systems for compliance with applicable codes and standards. Oakdale shall collect fees and reimburse the District for fire prevention services at rates that are identified in Oakdale's fire prevention rate schedule.

(ix) Fire safety inspections of all state-mandated occupancies within Oakdale.

(x) Issuance of operational permits to, and associated inspections of, applicable businesses within Oakdale as required in Appendix Chapter I, Section 105.6 of the

2007 California Fire Code, and as that Section may be amended in the future. Oakdale shall collect fees and reimburse District for said operational permits and inspections.

(xi) Investigation of all fires to establish origin and cause as well as coordination with the Oakdale Police Department on all criminal prosecutions resulting from such investigations. The District may contract for fire investigation services.

(xi) Maintenance of sufficient, segregated records relating to provision of Fire Services to Oakdale, including, but not limited to response time data for all incident responses described in Agreement Section 4.2(b). At a minimum, such records shall be sufficient to meet any and all federal and state reporting obligations as they relate to the provision of Fire Services, including but not limited to annual audits, mutual aid, and reimbursement for disaster response, hazardous material response, or other incident responses.

(b) Incident Response Within Incorporated Limits of Oakdale.

(i) General Service Criteria. The following criteria shall apply to incident response within Oakdale jurisdiction, including fire suppression, emergency medical response, rescue services, hazardous materials response, and response to any other emergency or non-emergency request for service as received and dispatched by the SCFPD's emergency dispatch center:

(A) Response Area. District shall provide services identified in Agreement Section 4.2(b)(i) to all areas within the incorporated limits of Oakdale.

(B) Chief Officer Coverage. District shall provide a qualified Chief Fire Officer, or acting Chief Fire Officer, to be immediately available for response and management of emergency incidents as necessary to provide incident command and coordination functions within the jurisdictional boundaries of Oakdale, including the authority to commit expenditure of Oakdale funds to mitigate an emergency incident consistent with the ordinances, policies and procedures of Oakdale. In the event that this service is not immediately available because the on-duty District Chief Officer is otherwise committed to another emergency incident, an administrative Chief Officer or off-duty Operations Chief Officer shall be recalled and assigned to provide operational Chief Officer coverage as soon as possible.

(C) Staffing. District shall provide, on a twenty-four (24) hour, seven-(7) day per-week basis, two Captains or Acting Captains and one Engineer or Acting Engineer who meet minimum federally- and state-mandated training requirements for their respective classifications and responsibilities, assigned to the Oakdale fire station(s) to provide Fire Services pursuant to this Agreement each and every day of the term of this Agreement. Additional qualified fire personnel may be assigned to the Oakdale station(s) as determined by the Fire Chief or his/her designee to provide supplemental Fire Services or staffing for special events, anticipated weather events, or other situations within the Oakdale Fire Services budget as that budget may be modified from year to year, and operational capacity. Each engine will be staffed by two (2) personnel. As financial resources become available, Oakdale agrees to consider increasing staffing levels to three (3) person companies. If financial resources are reduced, Oakdale has the option of reducing staffing levels and closing one of two fire stations.

Staffing levels shall never be reduced below a two (2) person company.

(D) Response Time. District acknowledges the existing Oakdale response performance standard for all emergency calls of five (5) minutes or less from receipt of an alarm at the responding station to the arrival of the first response team on scene. District will strive to maintain that response standard with existing facilities and apparatus, and will provide a quarterly response summary report to Oakdale by the 15th day of the month following the end of the previous quarter that delineates the response time for each incident within Oakdale. Reports will be due by April 15, July 15, October 15, and January 15 each year.

(E) Emergency. Oakdale shall continue to contract with and pay the District County Department of Emergency Communications for dispatch services, including but not limited to:

(i) Major Disaster Response. In the event of a major disaster in Oakdale, District will provide support to the Oakdale Emergency Operations Center (EOC). In the event of a multi-jurisdictional emergency or disaster, coordination of fire resources may be performed from the District Emergency Operations Center.

(c) Statewide Mutual Aid and Assistance by Hire. District may respond to requests for mutual aid or assistance-by-hire by other agencies within the State of California pursuant to the California Statewide Master Mutual Aid Agreement or the California Fire Assistance Agreement, as approved by the Fire Chief or his or her authorized designee. District shall credit or reimburse Oakdale for any reimbursement(s) received by District relating to use of personnel assigned to the Oakdale station(s) and/or City-owned apparatus described in Exhibit A for provision of mutual aid or assistance-by-hire.

(d) Miscellaneous.

(i) Weed Abatement. District will enforce the provisions of Chapter 12 of the Oakdale Municipal Code, amending the California Fire Code, and Chapter 26, relating to Weed Abatement, and as those Chapters may be amended in the future. Enforcement shall include administration of all aspects of Oakdale's Annual Weed Abatement Program.

(ii) Fireworks. District will enforce the provisions of Chapter 12 of the Oakdale Municipal Code relating to Fireworks, amending the California Fire Code, and as that Chapter may be amended in the future.

(iii) Community Outreach and Education. District shall coordinate the planning and development of fire prevention and safety education programs for schools, businesses, community associations, child-care providers, and other members of the community. Fire prevention and life safety programs will be tailored to educate Oakdale residents and business community in order to help preserve life and property.

(iv) False Fire Alarms. District will enforce the provisions of Chapter 12 of the Oakdale Municipal Code relating to recovery of costs associated with responses to false fire alarms.

(v) Hazardous Materials Releases. District will enforce the provisions of Chapter 12 of the Oakdale Municipal Code, amending the California Fire Code and as that Chapter may be amended in the future, relating to recovery of costs associated with responses to releases of hazardous materials.

4.3. Inspection of Oakdale-Owned Property and Notification of Necessary Maintenance and Repairs. District agrees to regularly inspect all real property, buildings, equipment and apparatus described in Exhibit A and Exhibit B to ensure they meet the appropriate and applicable fire service and safety standards.

(a) In the event that any real property, buildings, equipment, vehicle, or apparatus described in Exhibit A and Exhibit B requires routine maintenance or is in a condition that presents an immediate or imminent threat to employees or public health or safety, District agrees to notify Oakdale immediately of the existence of such conditions. Oakdale agrees to immediately address such deficiencies.

(i) District shall not use any equipment and apparatus requiring maintenance or repair in the provision of Fire Services pursuant to this Agreement until such time as the District has satisfactorily performed the necessary maintenance or repairs.

(ii) District shall ensure that access to any real property or buildings described in Exhibit B which is in a condition that presents an immediate or imminent threat to employee or public health or safety is restricted so as to minimize the threat posed to employee or public health or safety, until said condition is remedied.

(iii) In the event that a condition gives rise to an immediate or imminent threat to public or employee health or safety, the Parties agree that the Fire Chief, or his or her designee, shall have the authority to take any actions necessary to preserve public or employee health or safety. Such action may include prohibiting the occupancy or use of anything described in Exhibit B until the conditions giving rise to the threat are remedied.

(b) District shall inspect any maintenance and repairs performed pursuant to Section 4.4 of this Agreement to ensure that such maintenance and repairs have ensured that the real property, buildings, equipment, and apparatus so maintained or repaired meet the appropriate and applicable fire services standards.

(c) In the event that any Capital Improvements authorized in the Oakdale Fire Services budget are performed on City-owned real property or buildings described in Exhibit B, District shall coordinate the performance of such Capital Improvements with Oakdale.

(d) In the event that Oakdale has determined, pursuant to Section 5.1(b) of this Agreement, that maintenance or replacement of any Oakdale-owned equipment and apparatus described in Exhibit A will not be sufficient to ensure that said equipment and apparatus meet applicable fire services standards, District shall coordinate the replacement of any such equipment or apparatus with Oakdale as authorized in the Oakdale Fire Services budget as that budget may be modified from year to year.

**ARTICLE V
DUTIES OF OAKDALE**

5.1. **Payment for Fire Services.** Oakdale shall compensate District for the provision of Fire Services as further described in Article VI of this Agreement.

5.2. **Maintenance and Repair of Equipment and Facilities.** Oakdale agrees to pay for the cost of repairs and maintenance of apparatus, equipment, and facilities identified in Exhibits A and B.

(a) Upon notification by District, Oakdale shall, as soon as possible thereafter, perform or pay the actual costs of single repairs of facilities, apparatus, and equipment identified in Exhibits A and B that are necessary to ensure that any real property, buildings, equipment, and/or apparatus remain in a safe, habitable, and serviceable condition.

(b) In the event that it is not possible to repair any equipment and apparatus sufficient to ensure that they are in a safe, habitable, and serviceable condition, Oakdale shall replace the equipment or apparatus in question at its cost.

(c) In the event that Oakdale fails to respond within 48 hours with an agreed upon plan to address repairs of facilities, apparatus, and equipment identified in Exhibits A and B, District may undertake the necessary maintenance, repair, or replacement. Oakdale agrees to reimburse District for any actual costs it so incurs, including applicable administrative expenses, associated with any such maintenance, repair, or replacement.

(d) In the event that Oakdale contracts or otherwise hires a third-party contractor to perform any necessary repairs or replacement pursuant to this Article V, Oakdale shall require any such third-party contractor to have general liability insurance with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Both Oakdale and District shall be named as additional insureds on any such coverage.

**ARTICLE VI
FEES FOR SERVICES**

6.1. **Fees for Services.** Oakdale agrees to prepay District for all services provided pursuant to the terms and conditions of this Agreement as set forth in Exhibit C and Section 6 of this Agreement.

(a) ~~The period from the Effective Date of this Agreement through July 1, 2019 shall be the Initial Period. For the 2015-2016 and 2016-2017 Fiscal Years,~~ District has provided Oakdale with a three (3) year budget projection describing the total anticipated costs of providing Fire Services for each Fiscal Year or portion thereof as identified in Exhibit C. The second and third year budget projections are in the form and use the same methodology as, the first year budget projection model and are also contained in Exhibit C. District shall provide

Oakdale with an updated Fiscal Year 2019~~5~~-2020~~4~~+6 budget projection no later than May 31, 2019~~5~~.

(b) No later than May 1 each year thereafter, District agrees to provide Oakdale with a Fiscal Year budget projection describing the total anticipated costs of providing Fire Services for the next Fiscal Year using the same budget projection model identified in Exhibit C.

(c) On or before the initiation of services on September 1st, 2014, Oakdale agrees to remit one sixth (1/6) of the first year's estimated annual costs as identified in Exhibit C of this Agreement. These funds shall be kept in a reserve account of the District as a security deposit and shall be reflected as a line item in the District reserve accounts. The District shall use the funds to offset any delinquent payments as identified in Section 6.2 of this Agreement. At the end of the Agreement, the security payment shall be applied to the last two (2) months of payments for service. Accrued interest on security deposit funds shall be credited to the District on an annual basis.

(d) On the first day of each month, Oakdale agrees to remit to District one twelfth (1/12) of the Fiscal Year budget projection as prepayment for that month's services throughout the duration of this Agreement.

6.2 Delinquent Payments. In the event that Oakdale fails to pay the entire amount described in Section 6.1(d) above within seven (7) calendar days of the due date, interest shall accrue to the unpaid balance at an annual equivalent rate equal to the higher of (1) the Prior Year Penalty Factor; or (2) the legal rate of interest on a judgment in the Superior Courts of the State of California, determined from the date the payment was originally due. The Prior Year Penalty Factor shall be the interest rate earned on District's entire investment portfolio for the preceding Fiscal Year plus two percent (2%). For example, if the rate of return on District's entire investment portfolio for the preceding Fiscal Year was four percent (4%), the Prior Year Penalty Factor will be six percent (6%).

(a) In the event that Oakdale does not pay the required monthly payment as identified in Section 6.1(d) within thirty (30) calendar days of the due date, the District shall provide notice that all Fire Services may be terminated in thirty (30) calendar days.

(b) In the event that Oakdale does not pay the required monthly payment as identified in Section 6.1(d) within thirty (30) calendar days of the due date, the District shall have the option to terminate Fire Services at the end of the thirty (30) calendar day notification period.

(c) In the event that Oakdale does not pay the required monthly payment as identified in Section 6.1(d) within thirty (30) calendar days of the due date, the District shall have the option to demand payment for the entire remaining Fiscal Year Payment.

6.3 Accounting. No later than October 1 of each year, District shall provide Oakdale with a detailed account of the actual costs incurred by District to provide Fire Services pursuant to this Agreement for the preceding Fiscal Year.

(a) If the actual costs are greater than the Fiscal Year budget projection, Oakdale shall, no later than ninety (90) calendar days after receipt of the detailed account of actual costs, remit to District the difference between the Fiscal Year budget projection and the actual cost.

(b) If the actual costs are less than the Fiscal Year budget projection, District shall, no later than ninety (90) calendar days after providing Oakdale with the detailed account of actual costs, remit to Oakdale the difference between the Fiscal Year budget projection and the actual cost. In the alternative, Oakdale may elect to apply the payment of the difference to the following month's payment as identified in Section 6.1(d) of this Agreement.

(c) At any time during the term of this Agreement, the formulas, approaches, and Contract Percentage Drivers described in Section 6 and Exhibit C of this Agreement may be modified when service levels change per Sections 8.6 and 8.7 of this Agreement or with mutual written agreement of the District Board and Oakdale City Council. In the event that District contracts to provide fire services to another jurisdiction or terminates an existing contract for the provision of fire services to another jurisdiction, the Parties' District Board and Oakdale City Council shall review the Contract Percentage Drivers in this Agreement.

6.4 Unfunded Liabilities. Any unfunded pension or "Other Post-Employment Benefits" (OPEB) that were created prior to the effective date of this Agreement shall remain with the parent organization. CalPERS shall provide an actuarial that meets GASB 67 requirements, to the District and to Oakdale that identifies all liabilities and assets prior to the execution of this Agreement.

6.4.1. Unfunded Payroll Liabilities. Vacation and sick leave liability accrued after the execution of this Agreement on any personnel assigned to Oakdale shall be paid by Oakdale to the SCSFPD as part of the Fees for Services contemplated under this Agreement.

6.5 Transferred Leave Bank. Oakdale employees hired by District pursuant to Article VII of this Agreement may transfer up to 400 hours of vacation and 200 hours of sick leave to the District. The employee must utilize transferred leave prior to utilizing any leave accrued while employed by the District. Oakdale shall reimburse the District, on an hour for hour basis, at the hourly rate of the employee at the time the employee uses the leave. Upon termination of this Agreement, Oakdale shall pay to District the outstanding value of any leave balances transferred to the District.

ARTICLE VII PERSONNEL

7.1. Offers of Employment to Oakdale Employees. On or after August 29, 2014 but no later than September 1st, 2014, District shall make offers of employment to "Current Employees" defined as employees in "good standing" and who are employed by Oakdale as "safety" employees.

(a) Prior to being offered positions with District, Oakdale employees must complete a LiveScan background review. Employees who are identified to have felony arrests or other convictions that would prevent them from serving as a public safety employees will not be

considered as employees in "good standing" and will not be offered employment positions with the District.

(b) Prior to being offered positions with the District, Oakdale employees must provide proof they possess a valid California Driver's license and current Emergency Medical Technician certification. Employees who fail to provide proof they possess a valid California Driver's license and current Emergency Medical Technician certification will not be considered employees in "good standing" and will not be offered employment positions the District.

7.2 **Seniority.** All Oakdale "Current Employees" who are offered positions with the District will have their seniority integrated into the District's seniority list based on their hire date, as MI-time Oakdale Fire Department "safety" employees. If layoffs are required due to service level reductions by Oakdale, employees from Oakdale will be laid off based on their previous Oakdale seniority, not the District seniority that was provided under this Agreement. Personnel hired after the initiation of this agreement will be subject to layoff prior to Oakdale employees who were hired as part of this agreement.

7.3 **Rank.** All Oakdale "Current Employees" who are offered positions with the District will retain their rank they had at the time of the initiation of this Agreement with the following exception; The District does not have a rank of "Relief Specialist"; Oakdale employees with the rank of "Relief Specialist" will be hired by the District at the rank of "Engineer."

ARTICLE VIII COST ALLOCATION ~~METHODOLOGY~~METHODOLOGY

8.1 **Assigned Shift Personnel.** Cost will be allocated to Oakdale per Exhibit C based on the number of assigned shift Captains, Engineers, and Firefighters as identified in Section 4.2 (b)(i)C of this Agreement. Cost per classification shall be based upon the "average full cost" of Captains, the "average full cost" of Engineers, and the "average full cost" of Firefighters within the District. "Average full cost" includes base salary, vacation/holiday sellback, FLSA, workers compensation, employer retirement costs, payroll taxes, employer costs of health/vision/dental insurance, life insurance, Central Valley Trust allocations, uniform allowance, and specialty (swift water, bi-lingual, education, Haz Mat) incentives. Average full-cost calculation does not include overtime.

8.2 **Overhead Personnel.** Overhead personnel costs shall be allocated to Oakdale per Exhibit C based on the percentage derived by dividing the total number of District "Assigned Shift Personnel" by the number of Oakdale "Assigned Shift Personnel" as identified in Section 4.2(b)(i)C of this Agreement. The following positions and costs are included in the overhead allocations; Chief Officers, Fire Marshal, administrative staff, Training Captain, shift relief personnel, and overtime.

8.3 **Supplies and Services.** Supplies and services costs shall be allocated to Oakdale per Exhibit C based on the percentage of the Supplies and Services budget derived by dividing the total number of "Assigned Shift Personnel" by the number of Oakdale "Assigned Shift Personnel" as identified in Section 4.2(b)(i)C of this Agreement. The following Services and Supply costs in the following budget categories are included in the allocations; Clothing and

Personal Protective Equipment, Insurance, Medical Supplies, Memberships, Office Supplies, Professional and Specialized Services, Publications and Legal Notices, Equipment Rents and Leases, Facilities Rents and Leases, Training Programs, and Miscellaneous Expenses.

8.4 **Facilities and Apparatus.** Facilities and Apparatus costs shall be allocated to Oakdale per Exhibit C based on the percentage derived by dividing the total number of "Fire Stations" by the number of Oakdale "Fire Stations" as identified in Exhibit B of this Agreement. The following Facility and Apparatus costs in the following budget categories are included in the allocations: Household Expenses, Building Maintenance, Small Tools and Instruments, Utilities, Oil and Fuel, and Apparatus/Equipment Maintenance.

8.5 **Excluded Costs.** The following costs were excluded from the cost allocations and combined budgets projections.

(a) District. Pension Obligation Bond Payments, Retiree Medical Payments, and assessment collection fees.

(b) Oakdale. Retiree Medical Payments, CALPers Side Fund, and Station 5 Bond Payment.

8.6 **Service Level Reductions.** If budgetary constraints require Oakdale service level reductions, the Oakdale cost of services will be reduced by the number of fulltime positions that are eliminated.

(a) The formula used to determine overhead costs will decrease proportionality by the decrease in number of personnel.

(b) If layoffs are required due to service level reductions by Oakdale, employees from Oakdale will be laid off based on their previous Oakdale seniority not the District seniority that was provided in Section 7.2 of this Agreement. Personnel hired after the initiation of this agreement will be subject to layoff prior to Oakdale employees who were hired as part of this agreement.

8.7 **Service Level Increases.** If service levels are increased by adding additional shift personnel, the cost of services will increase by the cost of added number of fill-time positions. The formula used to determine overhead costs will increase proportionality by the increase in number of personnel.

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8.8 **Start-Up Cost.** Oakdale will be responsible for "one-time" start-up cost not to exceed \$3,500. Start-up costs include badges, patches, turnout re-branding, helmet shield IDs, passport tags and LiveScan costs.

ARTICLE IX
INDEMNIFICATION AND INSURANCE

9.1. Mutual Indemnification.

(a) Each Party shall indemnify, defend and hold harmless the other Party (including their elected or appointed officials, employees, agents, volunteers, and attorneys as the same may be constituted now and from time to time hereafter) to the extent allowed by law and in proportion to fault, against any and all third-party liability for claims, demands, costs, or judgments (direct, indirect, incidental, or consequential) involving bodily injury, personal injury, death, property damage, or other costs and expenses (including reasonable attorneys' fees, costs and expenses) arising or resulting from the acts or omissions of its own elected or appointed officers, agents, employees, volunteers, or representatives carried out pursuant to the obligations of this Agreement.

(b) Each Party shall protect, defend, indemnify and hold harmless the other Party (including their elected or appointed officials, employees, agents, volunteers, and attorneys as the same may be constituted now and from time to time hereafter) from and against any and all liabilities, losses, damages, expenses or costs, whatsoever (including reasonable attorneys' fees, costs, and expenses), which may arise against or be incurred by the other Party as a result of or in connection with any actual or alleged breach of this Agreement by either Party.

(c) District shall be responsible for all third-party liability, including third-party property damage, caused by the negligence or wrongful acts of District officers, officials, employees, agents, and volunteers resulting from District's operation of Oakdale vehicles and equipment, or resulting from maintenance performed by District pursuant to Section 5.2(c) of this Agreement.

9.2. Mutual Indemnification Obligations Survive Termination. As to activities occurring or being carried out in performance of this Agreement and during the term of this Agreement, the obligations created by Agreement Section 8.1 shall survive termination of this Agreement.

9.3. Public Liability and Property Insurance.

(a) Each Party shall maintain in effect, at its own cost and expense, the following insurance coverage provided either through a bona fide program of self-insurance, commercial insurance policies, or any combination thereof:

(i) Commercial general liability or public liability with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate.

(ii) District will provide auto liability insurance including owned, leased, non-owned, and hired automobiles, with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

(iii) The District shall maintain Workers' Compensation in accordance with California Labor Code Section 3700 with a minimum of \$1,000,000 per occurrence for

employer's liability, for the duration of time that such workers are employed.

(iv) All risk property insurance, excluding earthquake and flood, on all permanent property of an insurable nature in an amount sufficient to cover at least one hundred percent (100%) of the replacement costs of said property. In any event, Oakdale shall maintain property insurance coverage for all the real property and buildings identified in Exhibit B.

(b) All insurance required by this Agreement shall:

(i) Be placed: (1) with companies admitted to transact insurance business in the State of California and with a current A.M. Best rating of no less than A: VI or with carriers with a current A.M. Best rating of no less than A: VII; or (2) disclosed self-insurance with limits acceptable to the other Party.

(ii) Provide that each Party's insurance is primary and non-contributing insurance to any insurance or self-insurance maintained by the other Party and that the insurance of the other Party shall not be called upon to contribute to a loss covered by a Party's insurance.

(c) Prior to September 1st, 2014 each Party shall file certificates of insurance with the other Party evidencing that the required insurance is in effect.

9.4. **Workers' Compensation.**

(a) District shall provide Oakdale an endorsement that its Workers Compensation insurer waives the right of subrogation against Oakdale, its officers, officials, employees, and volunteers for all claims on or after the Effective Date of this Agreement during the tenure of said Agreement.

(b) All injuries that occur prior to the execution of this Agreement and all Workers' Compensation claims that are filed prior to this Agreement shall remain the responsibility of Oakdale. Oakdale's third-party administrator for the Workers' Compensation shall provide the District's third-party administrator for Workers' Compensation, a list of all active claims of all City of Oakdale personnel who will become employees of the District, prior to the execution of this Agreement.

ARTICLE X MISCELLANEOUS

10.1. **Amendments to Agreement.** No part of this Agreement shall be altered or amended without written agreement of the signatory Parties, except that Sections 6.1 and 6.2 of this Agreement as well as all exhibits to this Agreement may be amended by mutual written agreement of the District Board of Directors and Oakdale City Council.

10.2. **Assignment.** The rights and obligations of the Parties under this Agreement are not assignable and shall not be delegated without the prior written approval of the other Party.

10.3. **Dispute Resolution.** The Parties recognize that this Agreement cannot represent a complete expression of all issues which may arise during the performance of the Agreement.

Accordingly, District and Oakdale agree to meet and confer in good faith over any issue not expressly described herein to the end that Oakdale will obtain the best Fire Services possible under the most favorable economic terms and that District will be fairly and adequately compensated for the services it provides hereunder.

It is the Parties' intention to avoid the cost of litigation and to resolve any issues that may arise amicably if possible. To that end, the Parties agree to meet within ten (10) business days of a request made by the other Party in writing to discuss the issues and attempt to resolve the dispute. If the dispute is not resolved after that meeting, the Parties agree to mediate the dispute within thirty (30) calendar days of the meeting or as soon thereafter as possible. The mediator will be chosen by mutual agreement of the Parties. The costs of mediation will be borne by the Parties equally. No Party may initiate litigation prior to the conclusion of mediation. In any action brought under this Agreement, the prevailing Party shall be entitled to recover its actual costs and attorney fees pursuant to California Civil Code Section 1717.

10.4. No Waiver. The waiver of any Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either Party of any monies that become due hereunder shall not be deemed to be a waiver for any preexisting or concurrent breach or violation by the other Party of any provision of this Agreement.

10.5. Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any rights on any persons other than the Parties to it and their representatives, successors and permitted assignees.

10.6. Interpretation. This Agreement shall be interpreted and construed reasonably and neither for nor against any Party, regardless of the degree to which any Party participated in its drafting. Each of the Parties has received the advice of legal counsel prior to signing this Agreement. Each Party acknowledges no other party or agent or attorney has made a promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter herein to induce another party to execute this Agreement. The Parties agree no provision or provisions may be subject to any rules of construction based upon any Party being considered the Party "drafting" this Agreement.

When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural, and the masculine shall include the feminine and neuter and vice versa. Whenever a reference is made herein to a particular provision of this Agreement, it means and includes all paragraphs, subparagraphs and subparts thereof, and, whenever a reference is made herein to a particular paragraph or subparagraph, it shall include all subparagraphs and subparts thereof.

10.7. Captions. The captions in this Agreement are for convenience and reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

10.8. References to Laws. All references in this Agreement to laws shall be

understood to include such laws as they may be subsequently amended or re-codified, unless otherwise specifically provided.

10.9. References to Days. All references to days herein are to calendar days, including Saturdays, Sundays and holidays, except as otherwise specifically provided. Unless otherwise required by a specific provision of this Agreement, time hereunder is to be computed excluding the first day and including the last day.

10.10. Time of Essence. Time is of the essence of this Agreement and of every part of this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

10.11. Severability. If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and such remaining provision shall be enforced as if such invalid or unenforceable provision had not been contained herein.

10.12 Choice of Law and Venue. This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state and venue shall be in Stanislaus County, California.

10.13. Entire Agreement. This Agreement represents the full and entire Agreement between the Parties regarding the matters covered herein.

10.14. Counterparts. This Agreement may be executed in counterparts each of which shall be considered an original.

10.15. Exhibits. The following Exhibits are attached hereto and incorporated as if fully set forth herein:

<u>Exhibit A:</u>	Oakdale Facilities and Equipment Transferred to District
<u>Exhibit B:</u>	Oakdale Facilities provided to District
<u>Exhibit C:</u>	Three Year Budget Projection Model
<u>Exhibit D:</u>	Fee Schedule

10.16. Notices. All notices required or permitted hereunder shall be deemed sufficiently given if delivered by hand, electronic mail, or by United States mail, postage prepaid, addressed to the Parties at the addresses set forth below or to such other address as may, from time to time, be designated in writing.

To Oakdale:

Bryan Whitemyer
Oakdale City Manager
280 N. Third Avenue
City, CA 95361

To District:

Michael Wapnowski
District Chief Deputy
3324 Topeka Street
Riverbank, CA 95367

Dave Woods
Board President
3324 Topeka Street
Riverbank, CA 95367

10.17 Joint Defense. In the event of a third-party challenge of any type to this Agreement, the Parties agree to jointly defend the validity and implementation of the Agreement.

.....

IN WITNESS WHEREOF, the Parties execute this Agreement hereto on the day and the year first written above.

APPROVED AS TO FORM AND CONTENT:

By: William D. Ross Date: 8/16/14
William D. Ross
District Counsel

By: Tom Hallinan Date: 8/16/14
Tom Hallinan
City Attorney

ADOPTED BY:

CITY OF OAKDALE, A Municipal
Corporation and General Law City

By: Bryan Whitenor Date: 8/26/14
Bryan Whitenor
City Manager

STANISLAUS COUNTY FIRE PROTECTION DISTRICT

By: Randall Bradley Date: 8/26/14
Randall Bradley
Fire Chief

By: D. Woods Date: 9/27/14
D. Woods
District Board President

EXHIBIT A
Oakdale Apparatus and Equipment Transferred to District

ID	Year	Make	Model	Vin
E-24	2006	Hi Tech	Type 1 Engine	4S7AT2C987C056583
E-54	1982	International	Type 3 Engine	1HTAA1724CHB24573
U-91	1997	Ford	Utility	2FTFX28L3VCA54473
U-92	2002	Ford	Utility	IFTNW21FX3EB15019
E-25	2007	Hi Tech	Type 1 Engine	24682CG4931
B-5	2009	Polaris	Boat	X22PB909
C-1	2002	Ford	Expedition	IFMPU 16L02LA40263
R-85	1990	International	Navistar	HTSENDNIXIMH339384
E-55	2001	International	Type 3 Engine	1HTSDADR42H380267
E-35	1990	E-One	Type I Engine	457BT9L03MC003283
		Pace	Cargo Trailer	4PZFF312292U033554

EXHIBIT B
Facilities Provided to the District

Fire Station 4, 450 S Willowood Drive, Oakdale, California

Fire Station 5, 325 E. G Street, Oakdale, California

Fire Station 5, Training Annex, 325 E. G Street, Oakdale, California

EXHIBIT C
Three year Budget Projection

		FY 2014/15	FY 2015/16	FY 2016/17
	Positions & Percentages	Projected Costs	Projected Costs	Projected Costs
SCFPD				
Captain Positions	15	2,035,248	2,116,658	2,201,324
Engineer Positions	15	1,802,201	1,874,289	1,949,260
Firefighter Positions	15	1,365,295	1,419,907	1,476,704
Total Positions/Costs	45	5,202,744	5,410,854	5,627,288
Overhead/Personnel	71.43%	1,860,416	1,934,833	2,012,226
Service and Supplies	71.43%	483,073	502,396	522,492
Facilities and Apparatus	60.00%	476,852	495,926	515,763
SCFPD ONLY COSTS		8,023,085	8,344,008	8,677,768
				0
Oakdale City				
				0
Captain Positions	6	814,099	846,663	880,530
Engineer Positions	3	360,440	374,858	389,852
Firefighter Positions	0	0	0	0
Total Positions	9	1,174,539	1,221,521	1,270,382
Overhead/Personnel	14.29%	372,083	386,967	402,445
Service and Supplies	14.29%	96,615	100,479	104,498
Facilities and Apparatus	20.00%	158,951	165,309	171,921
TOTAL OAKDALE CITY COSTS		1,802,188	1,874,275	1,949,246
Oakdale Fire District				
Captain Positions	3	407,050	423,332	440,265
Engineer Positions	6	720,880	749,716	779,704
Firefighter Positions	0	0	0	0
Total Positions	9	1,127,930	1,173,047	1,219,969
Overhead/Personnel	14.29%	372,083	386,967	402,445
Service and Supplies	14.29%	96,615	100,479	104,498
Facilities and Apparatus	20.00%	158,951	165,309	171,921
TOTAL OAKDALE DISTRICT COSTS		1,755,578	1,825,801	1,898,833
Combined				
Number of Positions/Allocated Costs	63	7,505,213	7,805,422	8,117,638
Overhead/Personnel	100%	2,604,583	2,708,766	2,817,117
Service and Supplies	100%	676,302	703,354	731,488
Facilities and Apparatus	100%	794,753	826,543	859,605
TOTAL COMBINED COSTS		11,580,851	12,044,085	12,525,848

EXHIBIT D
FY 2014/15 Fee Schedule

Before September 1st, 2014 \$300,364 (Deposit)

September ____ , 2014	\$150,182
October 1, 2014	\$150,182
November 1, 2014	\$150,182
December 1, 2014	\$150,182
January 1, 2014	\$150,182
February 1, 2014	\$150,182
March 1, 2015	\$150,182
April 1, 2015	\$150,182
May 1, 2015	\$150,182
June 1, 2015	\$150,182