RESOLUTION APPROVING AMENDMENTS TO THE FIRE PROTECTION SERVICES AGREEMENTS WITH THE LINCOLN, EASTSIDE, AND TUXEDO/COUNTRY CLUB RURAL FIRE PROTECTION DISTRICTS

The City of Stockton (City) has entered into Fire Protection Services Agreements with the Lincoln, Eastside, and Tuxedo/Country Club Rural Fire Protection Districts whereby residents within those Districts pay the City for fire protection and related services from the City's Fire Department; and

Payment for those services is calculated using a formula established by the Agreements based on the Fire Department's "budget" and based on "Gross Taxable Property Values"; and

The parties to the Agreement now wish to clarify that the payment for services will be based on a budget that reflects the Fire Department's actual expenditures for a given fiscal year and that "Gross Taxable Property Values" includes the full assessed value of properties within the City regardless of whether the properties are within a redevelopment area; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council approves the Third Amendment to the Fire Protection Services Agreement with the Lincoln Rural Fire Protection District, the Second Amendment to the Fire Protection Services Agreement with the Eastside Rural Fire Protection District, and the Second Amendment to the Fire Protection Services Agreement with the Tuxedo/Country Club Rural Fire Protection District, as set forth in Exhibits 1, 2, and 3 respectively.

City Atty
Review
Date December 6, 2011
2. The City Manager is authorized and directed to take the actions necessary to carry out the purpose and intent of this resolution.

PASSED, APPROVED, and ADOPTED __________ December 13, 2011 __________

ANN JOHNSTON
Mayor of the City of Stockton

ATTEST:

BONNIE PAGE, City Clerk of the City of Stockton
THIRD AMENDMENT TO FIRE PROTECTION SERVICES AGREEMENT
BETWEEN CITY OF STOCKTON
AND
LINCOLN RURAL COUNTY FIRE PROTECTION DISTRICT

WHEREAS, the City of Stockton (hereinafter "CITY") and the Lincoln Rural County Fire Protection District, a rural County fire protection district of the State of California (hereinafter, "DISTRICT") entered into a Fire Protection Service Agreement dated November 17, 1975 (hereinafter "AGREEMENT") regarding the CITY providing fire protection services to the DISTRICT;

WHEREAS, the CITY and the DISTRICT in 1977 entered into an amendment (hereinafter "1ST AMENDMENT") to the AGREEMENT amending Section 6(m) entitled “Seniority;”

WHEREAS, the CITY and the DISTRICT in 1995 entered into an amendment (hereinafter "2ND AMENDMENT") to the AGREEMENT adding Paragraph 12 entitled “Indemnification;”

WHEREAS, Paragraph 2 of the AGREEMENT established a formula whereby the DISTRICT would pay the CITY for fire protection services that was based on the annual budget (hereinafter “BUDGET”) adopted by the CITY and the gross taxable property value¹;

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

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

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

THEREFORE, this Third Amendment (hereinafter, the “3RD AMENDMENT”) is entered into between the CITY and the DISTRICT and amends AGREEMENT, as amended by the 1st and 2nd AMENDMENT, to amend subsection Section 2, entitled “Payment for Services,” adding subsection (d) which reads in full as follows:

“(d) At the end of each fiscal year, CITY shall provide DISTRICT with a final audited financial statement reflecting the actual costs of fire protection

¹ The City and District agree that changes in allocation of revenue to the City from taxes (e.g., tax increment from redevelopment agencies) or changes in allocation of revenue to the fire department from City policy decisions do not affect the meaning of assessed value as used in the Agreement.
services and life-saving services provided by the CITY to the DISTRICT for that fiscal year. Should the total actual costs be less than the total amount paid to the CITY by the DISTRICT under paragraph 2.a., the DISTRICT shall receive a credit in the amount of the difference, applied to the subsequent fiscal year. Should the actual costs be more than the total amount paid to the CITY by the DISTRICT, the DISTRICT shall make a supplemental payment to the CITY in the full amount of the difference, no later than the beginning of the second quarter of the subsequent fiscal year.

The CITY and DISTRICT further agree that this 3RD AMENDMENT shall apply retroactively to the 2007-2008 fiscal year and that the DISTRICT has made full payment for all fiscal years prior to and including 2009/2010.

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

IN WITNESS WHEREOF, this 3RD AMENDMENT has been executed by the respective parties hereto through their respective authorized officers at Stockton, California, the day and year set forth below.

DATE: ____________________________

ATTEST:

CITY OF STOCKTON, a municipal corporation,

By: ________________________________

BOB DEIS, City Manager

"CITY"

BONNIE PAIGE
City Clerk

APPROVED AS TO FORM:

JOHN M. LUEBBERKE
CITY ATTORNEY

By: ________________________________

Title: ______________________________

Dated: ______________________________
APPROVED AS TO FORM:

DISTRICT COUNSEL

By: DANIEL J. SCHROEDER
    DISTRICT COUNSEL

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

By: [Signature]

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

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

WHEREAS, the CITY and the DISTRICT in 1995 entered into an amendment (hereinafter “1ST AMENDMENT”) to the AGREEMENT adding Paragraph 12 entitled “Indemnification;”

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

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

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

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

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

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

1 The City and District agree that changes in allocation of revenue to the City from taxes (e.g., tax increment from redevelopment agencies) or changes in allocation of revenue to the fire department from City policy decisions do not affect the meaning of assessed value as used in the Agreement.
the subsequent fiscal year. Should the actual costs be more than the total amount paid to the CITY by the DISTRICT, the DISTRICT shall make a supplemental payment to the CITY in the full amount of the difference, no later than the beginning of the second quarter of the subsequent fiscal year.

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

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

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

DATE: ____________________________

ATTEST:

BONNIE PAIGE
City Clerk

CITY OF STOCKTON, a municipal corporation,

By: ________________________________

BOB DAVIS, City Manager
"CITY"

APPROVED AS TO FORM:

JOHN M. LOEBBERKE
CITY ATTORNEY

By: ________________________________

Title: ______________________________

Dated: ______________________________

APPROVED AS TO FORM:

DISTRICT COUNSEL

By: ________________________________

DISTRICT COUNSEL

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

By: ________________________________

"DISTRICT"
SECOND AMENDMENT TO FIRE PROTECTION SERVICES AGREEMENT
BETWEEN CITY OF STOCKTON
AND
TUXEDO/COUNTRY CLUB RURAL COUNTY FIRE PROTECTION DISTRICT

WHEREAS, the City of Stockton (hereinafter “CITY”) and the Tuxedo/Country Club
Rural County Fire Protection District, a rural County fire protection district of the State of
California (hereinafter, “DISTRICT”) entered into a Fire Protection Service Agreement dated
March 29, 1984 (hereinafter “AGREEMENT”) regarding the CITY providing fire protection
services to the DISTRICT;

WHEREAS, the CITY and the DISTRICT in 1995 entered into an amendment
(hereinafter “1ST AMENDMENT”) to the AGREEMENT adding Paragraph 12 entitled
“Indemnification;”

WHEREAS, Paragraph 2 of the AGREEMENT established a formula whereby the
DISTRICT would pay the CITY for fire protection services that was based on the annual budget
(hereinafter “BUDGET”) adopted by the CITY and the gross taxable property value¹;

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

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

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

THEREFORE, this Second Amendment (hereinafter, the “2ND AMENDMENT”) is
entered into between the CITY and the DISTRICT and amends AGREEMENT, as amended by
the 1ST AMENDMENT, to amend subsection Section 2, entitled “Payment for Services,” adding
subsection (d) which reads in full as follows:

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

¹ The City and District agree that changes in allocation of revenue to the City from taxes (e.g., tax
increment from redevelopment agencies) or changes in allocation of revenue to the fire department from
city policy decisions do not affect the meaning of assessed value as used in the Agreement.
the subsequent fiscal year. Should the actual costs be more than the total
amount paid to the CITY by the DISTRICT, the DISTRICT shall make a
supplemental payment to the CITY in the full amount of the difference, no
later than the beginning of the second quarter of the subsequent fiscal year.

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

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

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

DATE: __________________________

ATTEST:

CITY OF STOCKTON, a municipal
corporation,

BONNIE PAIGE
City Clerk

BOB DEIS, City Manager

“CITY”

APPROVED AS TO FORM:

JOHN M. LUEBBERKE
CITY ATTORNEY

By: [Signature]
Title: __________________________
Dated: __________________________

APPROVED AS TO FORM:

DISTRICT COUNSEL

By: DANIEL J. SCHROEDER
DISTRICT COUNSEL

TXEDO/COUNTRY CLUB RURAL
COUNTY FIRE PROTECTION DISTRICT, a
rural county fire protection district of the State
of California,

By: [Signature]
“DISTRICT”