

AGENDA ITEM NO. 10:05am

COUNCIL MEETING 08/23/05

APPROVED BY

DEPARTMENT DIRECTOR *Randy R. Bruegman*

CITY MANAGER *Andrew V. Boy*

August 23, 2005

FROM: RANDY R. BRUEGMAN, Fire Chief
Fire Department

SUBJECT: RECOMMEND APPROVAL OF THE FIRE PROTECTION SERVICES CONTRACT BETWEEN THE CITY OF FRESNO AND THE FIG GARDEN FIRE PROTECTION DISTRICT

1) SEVENTH AMENDMENT TO THE PAR NO. 2005-287 ADDING TEN FIREFIGHTER POSITIONS TO THE DEPARTMENT BEGINNING OCTOBER 1, 2005 THROUGH JUNE 30, 2006

2) FIFTEENTH AMENDMENT TO THE AAR NO. 2005-286 APPROPRIATING \$425,000 TO THE FIRE DEPARTMENT TO OPERATE THE FIG GARDEN FIRE STATION

KEY RESULT AREA: 14201

Fresno One

RECOMMENDATIONS

Staff recommends Council approve the contract between the City of Fresno and the Fig Garden Fire Protection District for the City to provide fire protection to the Fig Garden area, approve the 7th amendment to the PAR No. 2005-287 to add ten additional firefighter positions beginning October 1, 2005 through June 30, 2006, and the 15th amendment to AAR No. 2005-286 appropriating \$425,000 to the Fire Department for staffing and equipment costs.

EXECUTIVE SUMMARY

Staff has been in discussion and negotiation with the Fig Garden Fire Protection District to begin to serve this area on January 1, 2006. The basis for this agreement would be a long-term contract by which the Fig Garden Fire Protection District would pay the City for the provision of service in Fig Garden and would include an engine company in service at the current location on Wishon north of Indianapolis. This would add an engine to our response deployment matrix, would be beneficial in improving our ISO grading, and would add to the depth of resources for the City.

KEY OBJECTIVE BALANCE

This proposal provides gains in all three key objectives of Customer Satisfaction, Employee Satisfaction, and Financial Management. Customer satisfaction will be enhanced by providing better coordinated response

Presented to City Council

Date 8/23/05

Disposition Per PAR 2005-357
& 2005-358 adopted

REPORT TO CITY COUNCIL

Recommend Approval of the Fire Protection Services Contract between the City of Fresno and the Fig Garden Fire Protection District

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between the Fig Garden Fire Protection District and the City. Regionalization of services will provide a more effective and timely response to the residents living in these areas for both city and district residents. Employee satisfaction will be enhanced by the increase of a consolidated safety response into this area. The current system is fragmented and provides the opportunity for redundant level of service and miscommunication with multiple units responding from various fire agencies. The benefits from a financial standpoint will be that the shared use of public facilities and the coordinated response will provide the means by which the money that is being spent for fire protection in the area will result in the most effective service for the residents.

This proposal presents the best solution for enhancing both employee and customer satisfaction by providing superior regional emergency service delivery to the area.

BACKGROUND

During the Fire Department's budget presentation on June 13th, Council was advised that staff had been working this past year on the strategic initiative to regionalize fire services. In the Public Safety 2025 Plan, which was presented to Council in May 2004, the regionalization of services was one of the primary strategic issues.

"Regionalization of Services - Cover Fresno County Islands within the City - There are many county islands located throughout the city where approximately 40,000 residents reside. This patchwork of county islands is serviced largely by smaller fire districts that have minimal staffing located within the city limits. This creates a redundant level of service to the City services that are provided in the same immediate area. In addition, there is a significant reliance from those fire districts on City resources in the event of an emergency incident that requires more than two firefighters. While the City has always taken the approach of being a good neighbor, the reality is that in many cases the City is subsidizing fire protection services when fires or other major emergencies occur in those areas. With the federal legislation that governs fire response recently adopting national standards, and the current fiscal restraints that every taxing agency faces, this situation must be addressed. The City is at a point in time where it needs to move forward with a collective strategy to eliminate those boundaries and to take a leadership role in creating one fire service delivery area. An urban fire service response area should be established not only for the city, but for the immediate area around the city limits within an identified sphere of response based upon national standards and best practices. The Public Safety Commission has repeatedly stated the community must utilize available resources in the most effective manner. This is a good example of how multiple layers of government have created a level of redundancy that does not need to exist, is not efficient or effective, and should be resolved as quickly as possible. The Commission feels the taxpayers deserve a better system."

We have discussed for some time that the current county island structure located within the city is not conducive to effective emergency response in these areas and results in the City subsidizing fire services to these county islands. Through numerous meetings with Fig Garden residents and the District Board of Directors, the District and Fire Department believe that a contract for fire protection services would be beneficial for all parties, and the contract recommended for Council approval is a result of subsequent negotiations. Highlights of the agreement are as follows:

REPORT TO CITY COUNCIL

Recommend Approval of the Fire Protection Services Contract between the City of Fresno and the Fig Garden Fire Protection District

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- City will provide fire protection services to the Districts service area in return for which the District will pay the City tax payments it receives from County net of \$20,000 retained by District for District purposes. Annually, this is expected to generate additional revenues for the City of over \$460,000.00.
- City will occupy the Fig Garden Station as City station using City firefighters/equipment, in return for which the District pays the City the special assessment revenues, net of \$30,000 to be retained by the District for capital improvements to the Fig Garden Station. Annually, this is expected to generate additional revenues for the City of approximately \$390,000.00.
- City will provide routine maintenance of the station facility up to \$25,000 per year. Maintenance costs required in excess of \$25,000 will be borne by the District.
- The agreement will remain in place for thirty (30) years subject to earlier termination if both parties agree, or if a party defaults, the agreement is de-funded, or if there is an annexation of the Districts service area to the City.

This agreement is a contract for services, and will not change the parties' service areas, jurisdiction, right to taxes or legal privileges and immunities nor is it an annexation transition agreement. As service is expected to begin on January 1, 2006, a prorated payment of approximately \$425,000.00 will be made for the six months ending June 30, 2006. Thereafter, during the contract term, Fig Garden will remit the annual contract fees in two payments (one half in December and the balance in April when property tax disbursements to taxing entities are made by the County Auditor).

On an annual basis, the Fig Garden contract reimbursements are expected to fund over three-fourths of the staffing, equipment, administrative, and operational costs associated with operating this new fire station. To implement this contractual arrangement for fire protection services, the department is requesting to add ten new firefighter positions. To provide sufficient lead time for training, the positions are requested as of October 1, 2006 and will attend the three-month fire academy. Upon graduation, the recruits will be promoted to firefighter and assigned to a station and full staffing of the Fig Garden station will occur on January 1, 2006.

The department's anticipated salary savings from vacant positions and future retirements are expected to provide funding for the firefighter recruit salaries incurred during the recruit academy, therefore, no additional net general fund cost is anticipated in FY 2006. During the initial six-month contract period, any expenditures in excess of revenues incurred to implement the new contract will be absorbed within the department's existing FY 2006 appropriations, and are expected to be less than \$68,000. Beginning in FY 2007, full year revenues and appropriations will be included in the annual budget request presented to Council for approval.

FISCAL IMPACT

Fiscal Impact statement is attached.

RRB/mc 081805

Attachment:

Fiscal Impact
Resolution
Contract

FISCAL IMPACT STATEMENT

ORGANIZATION: FIRE -Suppression — Fund: 10101 General Fund - Fire Dept. Org.
160201, KRA 24103

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT FY</u>	<u>ANNUALIZED COST*</u>
Direct Cost	\$ 493,000	\$ 1,100,000
Indirect Cost	\$ 0	\$ 0
TOTAL COST	<u>\$ 493,000</u>	<u>\$ 1,100,000</u>
Additional Revenue or Savings Generated	\$ 425,000	\$ 849,500
Net City Cost	<u>\$ 68,000</u>	<u>\$ 250,500</u>
Amount Budgeted (If none budgeted, identify source)	\$ 68,000	\$ 0

Remarks: In order to reflect the total potential annual costs for the proposed contract, the Annualized Cost column on this Fiscal Impact Statement includes estimated amounts for City retirement contributions although not currently being assessed. The costs reflected in the Total or Current Fiscal Year Column, however, do not reflect any estimated retirement costs, as they are not currently assessed the Department in the FY 2006 budget.

The Fire Department's annual FY 2006 budget will be increased by \$425,000.00 for salaries, benefits, equipment and supplies to be funded from revenues received from Fig Garden Fire Protection District for contracted fire protection services. The net City cost of \$68,000 will be absorbed within the department's FY 2006 appropriations.

10:05 am
8/23/05

Fig Garden – City of Fresno
FIRE PROTECTION SERVICES
AGREEMENT

THIS AGREEMENT, entered into by and between the CITY OF FRESNO, a municipal corporation ("City") and the FIG GARDEN FIRE PROTECTION DISTRICT, a political subdivision of the State of California ("District"), (hereinafter sometimes referred to individually or collectively as "Party" or "Parties") upon the following recitals, terms and conditions.

RECITALS

- A. Each party hereto has the power to enter, and is entering into this Agreement to provide the services herein contemplated, pursuant to California Government Code section 6500 et seq., and Health and Safety Code sections 13050, et seq., and other applicable laws.
- B. It is the intent of the parties that City and District shall retain legal jurisdiction over and to their respective jurisdictional boundaries and tax allocations, and this Agreement is solely to provide for the performance of contract fire protection services by City to District, and the payment of sums therefore by District to City upon the terms and conditions herein.
- C. District desires City (a) to provide fire protection services within the jurisdiction of the District and (b) to occupy the Fig Garden Fire Station for such purpose.
- D. City desires (a) to provide fire protection services within the jurisdiction of the District and (b) to occupy the Fig Garden Fire Station for such purpose.
- E. The City Council of City and the Board of Directors of District hereby find and declare that this Agreement is intended to maximize the delivery of fire protection services while minimizing the cost thereof, all to the benefit of their respective residents.

AGREEMENT

1. DEFINITIONS. Unless the particular provisions or context otherwise requires, the definitions in this section shall govern the construction, meanings and application of the words used herein:
 - (a) "Fire protection services" shall mean all facets of fire service, including, but not limited to, suppression and prevention of fires, emergency medical services at the first responder level, rescue and extrication, hazardous materials response, enforcement of fire codes and arson investigation, and all standard fire information reporting required of the parties under the California Fire Incident Reporting System ("CFIRS") .
 - (b) "Service Area" shall mean and include all of the territory within District's boundaries as they presently exist or as they may hereafter be established by annexations or detachments.
 - (c) "Fig Garden Fire Station" shall mean the fire station owned by District and located at 4537 N. Wishon Avenue, Fresno, CA 93704, consisting of buildings, land and other improvements in place, as more specifically depicted in the schematic attached as Exhibit "A" hereto (hereinafter sometimes referred to as "Station").
 - (d) "City Fire Personnel" shall mean employees of the Fresno City Fire Department.

2. CITY AGREES TO:
 - (a) Provide full fire protection services, as defined herein, within the entire Service Area. The supervision and administration of fire protection services shall be the sole responsibility of the City.

- (b) Use and operate, on a full time basis, the Fig Garden Fire Station as a City Fire Station, to provide fire protection services within the Service Area. City may utilize the Fig Garden Fire Station to provide fire protection services to City and to other territories wherein City contracts to provide fire protection services. City, however, shall not use the Fig Garden Fire Station as a site for the housing and/or dispatch of ambulances, except in the event City Fire Personnel, in the future, perform such services as part of the City Fire Department's regular activities.
- (c) Maintain the Fig Garden Fire Station in the same condition the Station was in at the time of City's occupancy thereof pursuant to this Agreement. City shall be responsible for any damage to the Station or grounds caused by the City, its agents or employees. City shall be responsible for all exterior and interior maintenance (excluding furnishings owned by the District), and repair of air-conditioning, heating units and roof of the Station up to an annual total of \$25,000. This annual limit does not apply to grounds/landscaping maintenance.
- (d) Prepare an Emergency Response Plan for Service Area compatible with City's Emergency Response Plan for the remainder of the City's fire service area.
- (e) Provide all equipment and personnel appropriate for the full operation of the Fig Garden Fire Station as a City Fire Station. The level of staffing at the Fig Garden Fire Station shall be consistent with City standards for like fire stations, but in no event shall there be less than 3 employees for over a two hour period.
- (f) Pay all costs and expenses of providing fire protection services within the territory of District and of maintaining full operation of the Fig Garden Fire Station.

- (g) Be responsible for the annual administration and levy of the Fig Garden Fire Protection Assessment (special assessment discussed herein), related to preparing, formatting and providing the necessary computations and information to the County of Fresno Assessors Office.

3. DISTRICT AGREES TO:

- (a) Allow City to have exclusive use and occupancy of the Fig Garden Fire Station in order to provide fire protection services to the Service Area as herein described, and to other territories served by the Fresno Fire Department, provided the Fresno County Sheriff's Office, at its sole cost and risk, may continue its occasional use of an office on the Station property.
- (b) Be responsible for the structural condition of the buildings at the Fig Garden Fire Station and agrees that the buildings shall be maintained in as good a condition as they are now. District is responsible for all exterior and interior maintenance of the buildings, including repair of air-conditioning, heating units and roof of the Station, after City has expended a total of \$25,000 annually on such repairs, not including cost for grounds maintenance. District is not responsible for maintenance of the grounds, painting or replacement of carpets, furniture, or appliances.
- (c) To compensate City for providing fire protection services to the District, District shall pay to City all property tax and other revenues, including but not limited to state, federal and county payments actually received by District for fire protection service, exclusive of the special assessment, save and except the sum of \$20,000 per year, which shall be retained by District. Beginning January 1, 2007, and annually on each January 1, thereafter, said amount retained by the District shall be increased by the percentage change in the U.S. Bureau of Labor Statistics Consumer Price Index (Urban Wage Earners and Clerical Workers for the Los Angeles-Anaheim-Riverside area) for the period from April 1, of the preceding

calendar year, to March 31 of the current calendar year. This provision shall be effective in this manner, as long as the index mentioned above is published by government authorities in the same form and based on the same type data being used on the effective date of the Agreement, and shall be redefined by the parties in the event of any change in form and/or basis of indices, to a reasonably comparable standard. Each annual adjustment computation by City is hereby incorporated by reference herein. It is estimated the net (of the retained \$20,000) compensation provided under this paragraph in year one will be \$463,400.

- (d) To compensate City for occupying and using the Fig Garden Fire Station as a City fire station, in addition to the compensation listed in paragraph (c) above, District shall pay City the revenue actually received from the special assessment approved by the District's electors, which assessment shall be levied in an amount not less than \$529.88 per year, per single family residence in the District. It is estimated the special assessment will generate in year one net (of the \$30,000 referenced below) revenues of \$386,100. Such amount shall be paid to City during and for periods that City occupies and uses the Fig Garden Fire Station as a City fire station. The sum of \$30,000 from the assessment shall be retained by District annually in a special account to be used for major repairs and/or replacement of the structures on the site of the Fig Garden Fire Station, as requested by City and agreed to by District.
- (e) Payment to the City shall be made, subject to receipt of revenues from the County Auditor, in two installments, April 30th and December 31st of each calendar year.
- (f) The amount to be paid for the initial period (less than one year) shall be prorated.

4. ADDITIONAL CONDITIONS.

- (a) This Agreement is conditioned upon approval thereof by both the Fresno City Council and the Board of Directors of the District. In the event said special assessment expires and is not renewed or extended in an amount agreed upon by the District and the City for providing fire protection services from the premises of the Fig Garden Fire Station, City shall be relieved of its duty to provide such services from the Fig Garden Fire Station. Nevertheless, City shall be required to continue to provide fire protection services as otherwise contemplated under this Agreement, and otherwise compensated as described herein.
- (b) It is contemplated by both parties to this Agreement that the Fig Garden Fire Station may need to be fully replaced at some point prior to the expiration of this Agreement. Pursuant to paragraph 3(d) above, District will retain \$30,000 annually from revenue generated by the special assessment. Said amount shall be deposited into an account for the purpose of maintaining the Fig Garden Fire Station as contemplated in paragraph 3(b) above. In the event the parties agree to replace the Fig Garden Fire Station, the District will utilize any and all money retained in said account for the replacement of the Fire Station before the City is requested to contribute funds toward the replacement of the Station.
- (c) Eighteen (18) months prior to the expiration of any of District's special benefit assessment, City shall provide District with its proposed budget for the provision of fire protection services from the Fig Garden Fire Station during the following ten years. District's share of the cost of providing fire protection services from the Fig Garden Fire Station after the initial assessment expires shall be 77.30 %, which percentage allocation represents the same proportion as was paid by District for such services

during the first year of this Agreement adjusted for anticipated increased labor costs. To illustrate, District's total payment to City for the provision of fire protection services using the Fig Garden Fire Station is 77.5% of the total cost of operating said Station during the first year of this Agreement, so District's share of the cost of providing fire protection services from the Fig Garden Fire Station during the remaining term of this Agreement shall be 77.5% of the total cost of providing fire protection services from said Station. In this regard the parties agree that at all times hereunder the accounting methodology and recoverable line itemed categories shall remain consistent with the City's Budget for the first year of this Agreement. Attached hereto as Exhibit "B" is City's Budget for the provision of fire protection services from the Fig Garden Fire Station for the first year of this Agreement.

5. DISTRICT'S REPRESENTATIONS AND WARRANTIES. District warrants, covenants and represents that it is the owner of the Station and has the full right and authority to grant to City the use and occupancy of the Station on the conditions and for the purpose of City's express use of the Station and that the Station is fit and habitable for such purposes and uses; City has inspected the Station and as of the date of this Agreement concurs that the Station is fit and habitable for such purposes and uses. District warrants, covenants and represents that there are now no liens or encumbrances on the Station that will interfere with the expressed purpose of this Agreement. District agrees and represents that it shall remain responsible for all taxes, liens and other encumbrances on the Station, provided City shall be responsible for liens and encumbrances resulting from City's performance of this Agreement.

6. **PROPERTY TAXES AND INSURANCE.** District will pay all real estate taxes, bonds and assessments when due on the Station and will maintain property insurance and hazard insurance on the Station. District will, with respect to any claims covered by such property and hazard insurance, waive any subrogation rights that it may have against City, its officials, officers, agents, employees or volunteers, whether or not District self-insures for such claims covered by such insurance. Nothing herein is intended to require City to maintain property and hazard insurance covering the Station or for whatever cause.

7. **IMPROVEMENTS.** City shall have the right, upon the prior written approval of the District, to improve, add to, or alter the Station, provided, however, that any such improvements, additions or alterations which are of a permanent nature shall (i) be those consistent with the use of the Station by City under this Agreement, and (ii) on termination or expiration of this Agreement, may be removed from the Station and City shall restore the Station substantially to its original condition at the time of the commencement date in City's discretion. District shall have the right to post and keep posted on the Station, and record, a Notice of Non-responsibility.

City shall keep the Station free from any and all liens and encumbrances arising out of or in any way connected with the work performed, materials furnished or obligations incurred by City in connection with any alteration, addition or improvement of the Station.

8. **HAZARDOUS SUBSTANCE.** City shall not be responsible for any losses, liability or costs (including, but not limited to, consulting, engineering, clean-up and disposal costs, and legal costs) arising in whole or in part from any form of toxic material or hazardous substance existing on the Station prior to City taking possession of the Station. After City takes possession of the Station, City shall not be responsible for any losses, liability or costs (including, but not limited to, consulting, engineering, clean-up and disposal costs, and legal costs) arising in whole or in part from (i) any pre-existing condition, or (ii) any form of toxic material or hazardous substance on the Station which is not directly or indirectly

caused or generated by City.

The term "hazardous substance(s)," as used in this Agreement, shall include, without limitation, flammable, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and all substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

If at any time during the Initial Term or any extension of this Agreement, hazardous substances are discovered by either party to be on the Station, such party shall immediately notify the other party in writing of such occurrence. Within sixty (60) days from the discovery of hazardous substances on the Station, District and City shall meet and confer and the Party responsible for the removal of the hazardous substance shall provide to the other Party a time estimate for the removal of the hazardous substance or otherwise to make the Station safe and lawful to occupy under this Agreement, or if not feasible then of the determination to close the Station. At any time after the discovery of the hazardous substance(s) on the Station, which poses a health risk which prevents the City's operation of the Station, City may, at its sole discretion, suspend or terminate its use and occupancy of the Station upon written notice to District, provided the Agreement shall otherwise continue in full force and effect.

9. **LIABILITY.** City shall not be responsible for any losses, liability or costs (including legal costs) arising in whole or in part from the excavation of soil, or for complications arising from any pre-existing condition within the Station.
10. **EQUIPMENT.** Any equipment installed in or on the Station by City will continue to be the property of City, and will be removed by City at the expiration or termination of the Agreement. District shall be free to sell or otherwise dispose of District's fire fighting equipment. District shall provide an inventory of its furnishings at the Station which will remain on site, within sixty (60) days of the

effective date of this Agreement.

11. **INDEMNIFICATION.** District shall indemnify, hold harmless and defend City and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by the City, District or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of District or any of its officers, officials, employees, agents or volunteers in the performance of this Agreement.

City shall indemnify, hold harmless and defend District and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by City, District or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of City or any of its officers, officials, employees, agents or volunteers in the performance of this Agreement.

In the event of concurrent negligence on the part of District or any of its officers, officials, employees, agents or volunteers, and City or any of its officers, officials, employees, agents or volunteers, the liability for any and all such claims, demands and actions in law or equity for such losses, fines, penalties, forfeitures, costs and damages shall be apportioned under the State of California's rule of comparative negligence as presently established or as may be modified hereafter.

This section shall survive termination or expiration of this Agreement.

It is understood and agreed that at all time hereunder District shall maintain general liability and property insurance policies and City shall maintain general liability, auto liability, workers' compensation and property insurance policies or self-insurance programs to fund their respective liabilities in these areas. Evidence of Insurance, Certificates of Insurance or other similar documentation shall not be required of either party under this Agreement.

City shall indemnify and hold District, its Directors, officers, employees and volunteers harmless from and against all claims for wages, or benefits, by City personnel assigned to provide services to or within District hereunder. City employees shall not be considered as employees of District under any circumstances or any purpose.

City employees shall at all times remain under the direction and control of the Chief of the Fresno Fire Department. The parties are acting in an independent capacity under this Agreement.

12. **THIRD PARTY BENEFICIARIES.** This Agreement shall not be assigned and shall not be construed or deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action hereunder for any cause whatsoever.

13. **TERM OF AGREEMENT.** This Agreement shall be effective beginning January 1, 2006, and shall remain in full force and effect until the earlier of (i) termination by mutual written agreement of the parties, (ii) termination by City for District's nonperformance not cured following thirty (30) days written notice thereof by City, or (iii) June 30, 2035. In the event that a portion of the territory of District is annexed to City, such territory shall be excluded from this Agreement upon detachment, and at the next installment period as defined in paragraph 3 (e) the amount of compensation to be paid to City pursuant to paragraphs 3 (c) and (d) shall be reduced by the amount of revenue generated from the annexed area through taxes and the special assessment from/after the date of detachment, as described in paragraphs 3 (c) and (d). In the event the entire territory of District

is annexed to City, this Agreement shall terminate in its entirety, except that financial obligations hereunder then due and owing under this Agreement shall not be extinguished. In the event of termination of this Agreement or expiration of City's duty to operate the Fig Garden Fire Station, City shall vacate such Station leaving same in the substantially the same condition as when it first occupied said Station, reasonable wear and tear excepted, and subject to financial obligations hereunder then due and owing.

14. INTEGRATION. This is an integrated agreement which supersedes all prior agreements and negotiations between the parties relating to fire protection services.
15. NOTICES. Any notice required or intended to be given to either party under the terms of this Agreement shall be in writing and shall be deemed to be duly given if delivered personally or deposited into the United States mail, by registered or certified mail, return receipt requested with postage prepaid, addressed to the party to which notice is to be given at the party's address set forth on the signature page of this Agreement or at such other address as the parties may from time to time designate by written notice. Personal service, as aforesaid, shall be deemed served and effective upon delivery thereof. Service by mail, as aforesaid, shall be deemed to be sufficiently served and effective as of 12:00:01 A.M., on the fourth (4th) calendar day following the date of deposit in the United States mail of such registered or certified mail, properly addressed and postage prepaid.
16. DISPUTE RESOLUTION. If any dispute arises regarding the interpretation or application of this Agreement or any determination or calculation hereunder, the parties agree upon the request of either of them to meet and attempt to resolve the same amicably for a period not to exceed thirty (30) days. If the dispute is not resolved during said thirty (30) day period, the parties may agree in writing to submit any unresolved dispute to binding or advisory mediation/arbitration including the allocation of related costs and fees, without limitation upon rights

and remedies otherwise available including an action in a court of competent jurisdiction located in the County of Fresno, for these purposes.

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IN WITNESS WHEREOF, the parties execute this Agreement in the County of Fresno, State of California, on the date of the last signatory hereto.

CITY OF FRESNO

By: Andrew T. Sorey

Title: CITY MANAGER

Date: Sept 9, 2005

FIG GARDEN FIRE PROTECTION DISTRICT

By: Tommy P. ...

Title: President

Date: Sept 8, 2005

ATTEST:

Rebecca E. Klisch

City Clerk

By: Rebecca E. Klisch
Deputy 9-9-05

Approved as to Form:

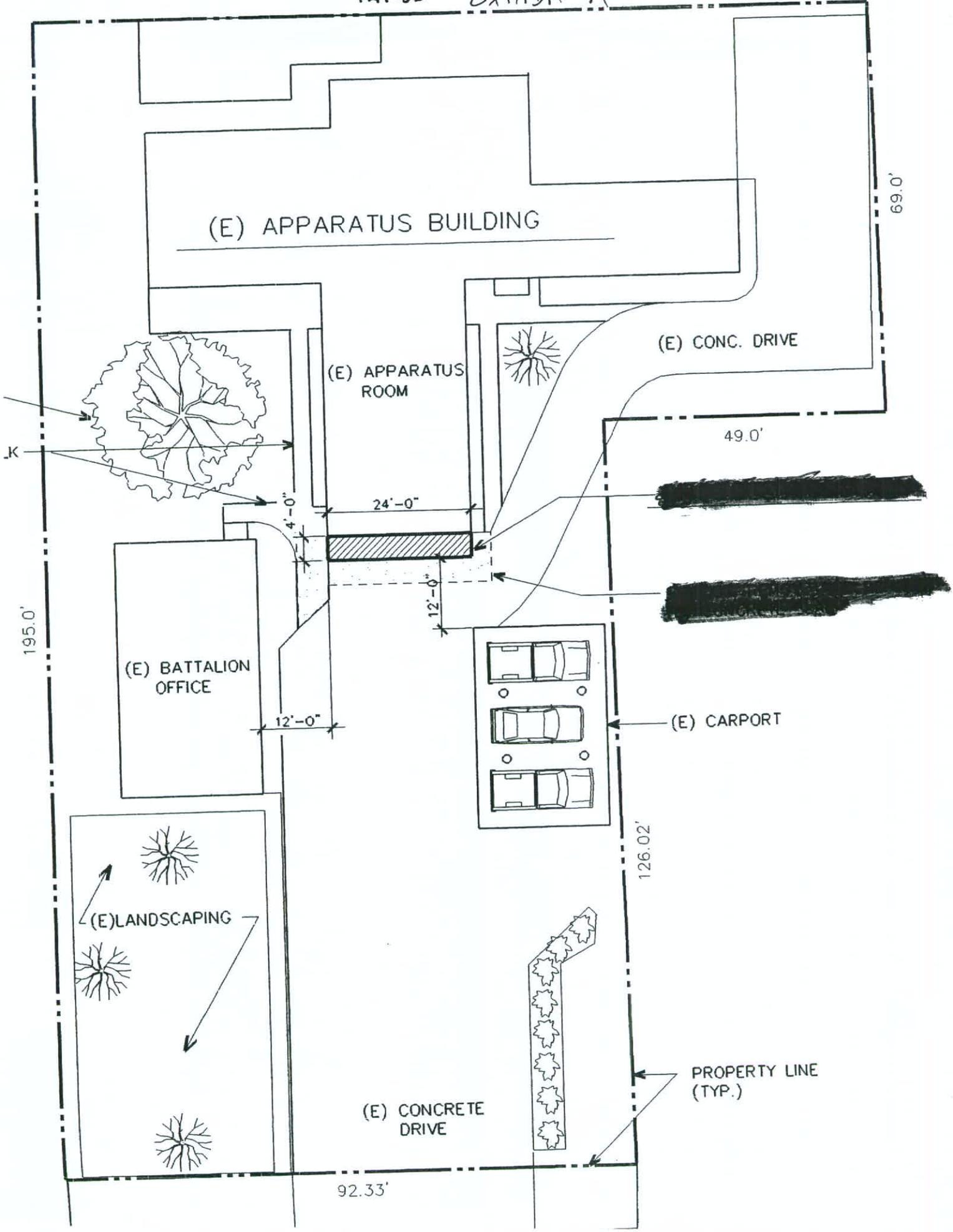
Hilda Cantú Montoy

City Attorney

By: [Signature]
Deputy

Attachments: Exhibit "A" - Station Schematic
Exhibit "B" - City's First Year Budget

141-33 Exhibit A



FRESNO FIRE DEPARTMENT - Attachment to Fire Protection Agreement
 Estimated Annual Station Costs for Fig Garden

See Notes---->	(A) Number of Staff	(C) Salary & Fringe	(D) FLSA Pay	(E) Relief Pay	(F) Premium Pay	(G) Workers Comp	(N) Estimated Retirement	Annual Amount	FY06 Estimated Costs for 1/1/06 Implementation
Staffing									
Captain E-Step	3	260,223	4,140	16,800	3,600	15,636	41,847	342,246	171,123
Specialist D-Step	3	221,559	4,140	15,900	3,600	15,636	35,829	296,664	148,332
Firefighter C-Step	3	186,600	4,140	13,500	3,600	15,636	30,389	253,865	126,932
Relief Coverage (B)		82,898	1,518	5,710	1,320	5,733	13,396	110,575	55,287
Subtotal		751,280	13,938	51,910	12,120	52,641	121,460	1,003,349	501,675
Operations									
Annual Physical	(H)							5,000	5,000
Clothing	(I)							3,600	3,600
Utilities	(J)							6,000	3,000
Station Supplies	(K)							6,500	3,250
Station Maintenance	(L)							25,000	12,500
ISF Charges & Fuel	(M)							49,530	24,765
STATION OPERATIONS								95,630	52,115
TOTAL ANNUAL ESTIMATED STATION COSTS								\$1,098,979	\$553,789
ESTIMATED REVENUE FROM FIG GARDEN 1st Year (6.1% Base Growth)								\$849,500	\$424,750
Estimated Net Cost for Station Operations								121,460	\$129,039
								-9.60%	22.70%
								100.00%	

FRESNO FIRE DEPARTMENT - Attachment to Fire Protection Agreement
 Estimated Annual Station Costs for Fig Garden

Exhibit B Page 3

NOTES:

- (A) Number of Staff
- (B) This represents the estimated vacation/sick relief coverage that will be needed to provide the service level of one duty-station for Fig Garden Fire Protection District.
- (C) Base Salary per below plus fringe of 12% to cover health/welfare costs, medicare, unemployment, and uniform allowance of \$790/each

	Base	x Fringe	=Salary/Fringe Per Emp	Times	Est Sal/Fringe
E Step Captain Base Salary	77,448	12.00%	86,741	3 Staff	260,223
D Step FF Specialist Salary	65,940	12.00%	73,853	3 Staff	221,559
C Step Firefighter Salary	55,536	12.00%	62,200	3 Staff	186,600
- (D) FLSA (Fair Labor Standards Act) estimated pay per rank based on average per employee of \$115 per month
- (E) Relief/Overtime Pay estimated per rank based on averages used for budgeting purposes of \$5,600/year for Captains, \$5,300 per year for FFS and \$4,500 per year for Firefighters
- (F) Premium Pay per employee of \$100 per month for EMT Certification per current MOU
- (G) \$5,212 per employee computed by taking the FY06 Workers Compensation charge per Risk Management for the Suppression Division of \$1,443,800 divided by 277 Suppression employees.
- (H) Estimated medical exam costs for staffing
- (I) Estimated clothing costs for staffing
- (J) Estimated utilities of \$500 per month. Estimate based on average of two smallest fire station facilities monthly charges which were between a low of \$227 and high of \$797 for the last 10 months.
- (K) Station supplies to cover kitchen, linen and paper products, cleaning, specialty chemical and lab supplies, and other miscellaneous supplies/equipment needs for basic station operations
- (L) Station Maintenance fixed cost per draft agreement
- (M) Allocation of ISF (Internal Service Fund) charges of \$1,044,250 and estimated fuel costs of \$45,400 among 22 station facilities. ISF Charges cover overhead cost allocations to the Suppression Operations division for City Attorney, Budget, Purchasing, Human Resources, Training, Finance, Internal Audit, Property and Liability Insurance, Messenger/Mail/Copy services, Facilities Management, Fleet and Telephone Charges.

