
BUTTE LOCAL AGENCY FORMATION COMMISSION (LAFCO)

TO: Local Agency Formation Commission

FROM: Shannon Costa, Local Government Planning Analyst

SUBJECT: **LAFCo File 21-07 – CAL FIRE/Butte County Fire – Extension of Fire Protection Service for the City of Oroville**

DATE: March 30, 2022 for the April 7, 2022 LAFCo Meeting

Summary

Senate Bill 239, passed in 2015, requires LAFCo to review and approve certain contracts between local government agencies for the provision of fire protection. The new statute appears as Government Code §56134 and modifies the application of Government Code §56133 which addresses all other service extensions aside from fire services. This is a request to extend fire protection services by CAL FIRE/Butte County Fire (CAL FIRE) to the City of Oroville through a full-service cooperative fire protection agreement.

The City of Oroville City Council has been exploring fire protection service options with the goal of: 1) enhancing fire protection services throughout the City, 2) balancing the existing reciprocation disparity between Oroville Fire Department and CAL FIRE, and 3) satisfy fire protection response times for City of Oroville citizens established by the General Plan. A comprehensive review of three service models was considered by the Oroville City Council, and it was determined that contracting fire protection services to CAL FIRE was the best financial option while providing overall increased service to constituents. If approved by LAFCo, CAL FIRE would assume all fire protection and related services (dispatching, EMS, medical and rescue response, fire protection and investigation, etc.) beginning July 2022. Staff recommends that the Commission approve the extension of services request and adopt Draft Resolution No. 13 2021/22 (**Exhibit B**).

General Information

Application Submitted: October 22, 2021

Application Deemed Complete: November 22, 2021

100% Landowner Consent: NA

Notice and Hearing Required: Yes. 21 day published notice

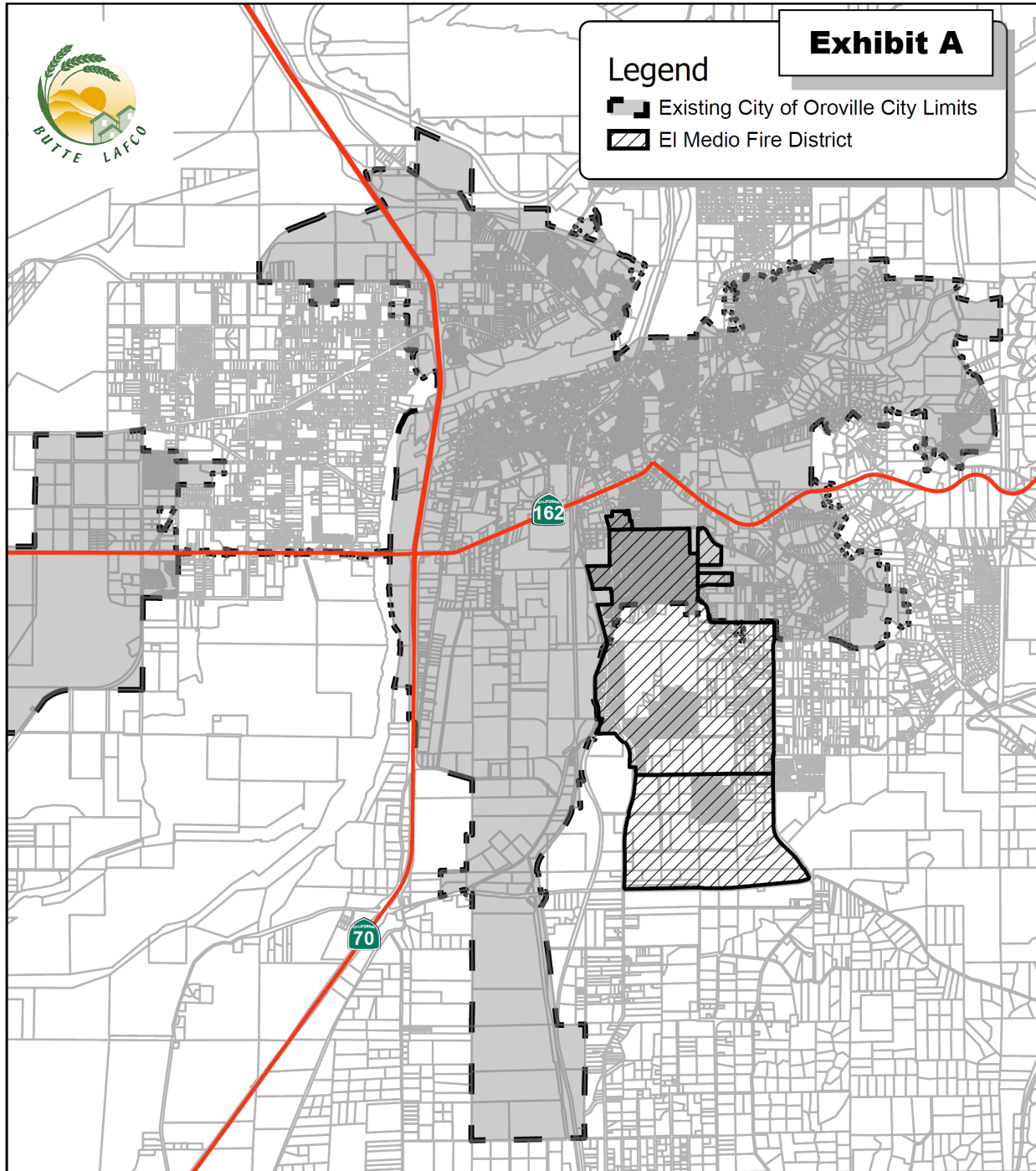
Proponent: CAL FIRE/Butte County Fire
City of Oroville


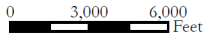
Landowners: Various

Location: City of Oroville

Proposal: Extension of fire protection services by CAL FIRE/Butte County Fire

Requested Action: Adopt Resolution 13 2021/22 (**Exhibit B**) approving the extension of CAL FIRE fire protection services.



Butte Local Agency Formation Commission			
22-07 - Extension of Fire Services by Contract			
Applicant: CAL FIRE	Date: April 7, 2022	File: 22-07	
Map Project File: \\GIS\DEPTS\LAFCO\PROJECTS\File 22-07 CalFire Extension of Fire Services by Contract\File_22-07.aprx			

DISCUSSION

Background

Fire protection for the greater Oroville urban area is provided by three service providers; City of Oroville Fire Department (OFD), CAL FIRE/Butte County Fire (CAL FIRE), and El Medio Fire Protection District (EMFPD). Each provider has their own distinct (although partially overlapping) territory/responsibility areas. The three providers have an automatic aid agreement in which personnel and equipment are shared in the event of an emergency. Details and characteristics of each agency are described below:

CAL FIRE

The California Department of Forestry and Fire Protection (CAL FIRE) is responsible for wildland fire suppression and prevention in the State Responsibility Areas (SRAs). SRAs are areas where CAL FIRE has the legal responsibility to provide fire protection and are typically determined based on population density, land use, and land ownership. For the Oroville area, the SRA is identified as areas outside of the City's jurisdiction, generally east of City limits and extending into the Sierra Nevada Foothills. CAL FIRE, through its cooperative agreement with Butte County, is primarily responsible for unincorporated Butte County communities like Thermalito, Palermo, portions of South Oroville, and Kelly Ridge.

CAL FIRE began its cooperative relationship with Butte County in 1931, when the Butte County Board of Supervisors signed a cooperative fire protection agreement with CAL FIRE. CAL FIRE has since contracted with the City of Gridley in 1991, City of Biggs in 1995, and the Town of Paradise in 2012. CAL FIRE and its cooperative fire protection agreements operate 22 full time career staffed fire stations and 16 volunteer fire stations encompassing 1,609 square miles of Butte County. CAL FIRE firefighters provide full-service fire protection, pre-hospital basic life support, and specialized rescue responses to the citizens of Butte County.

Oroville Fire Department

Areas not within the SRA are considered Local Response Areas (LRAs). In these areas, a local agency, such as a county, city, or fire district, are responsible for fire suppression and prevention. Oroville Fire Department serves the LRA (City of Oroville) within its jurisdictional boundaries out of a single station in the center of the City (Lincoln/Mitchell). Formed in 1856, it is believed that the OFD is the second formed fire company in California. OFD is responsible for an approximately 13 square mile area including over 5,000 single-family homes, 1,250 multi-family units, 1 airport and 3 industrial parks. The department currently has funded positions for 18 career firefighters, 1 fire marshal and 0.5 Administrative Assistant. Daily staffing includes six full-time City of Oroville employees.

The station staffs two engines and utilizes a "first out, second out" philosophy, which means one engine assumes emergency coverage over the entire city while the second unit covers overlapping calls or outside assists. The department actively participates in the regional automatic aid agreement, providing an engine or ladder truck to surrounding agencies upon request.

El Medio Fire Protection District

The El Medio Fire Protection District (EMFPD), formed in 1925, is the only fire protection district within Butte County and serves a population of approximately 6,000 persons within a geographic area of approximately two square miles of mostly urbanized territory in the South Oroville area. The northerly 1/3 of the District is within city limits of the City of Oroville and the entirety of the

District's jurisdictional service area boundaries are within the City's SOI. EMFPD has experienced staff shortages and budget shortfalls over the last decade, resulting in its ultimate closure in December 2020. Since that time, OFD and CAL FIRE have taken over coverage for their respective territory within the bounds of the district. At this time, the demise of EMFPD is unknown, and the status of the EMFPD is considered a related, but not integral part, of the proposed fire service contract between CAL FIRE and the City of Oroville.

Need for Service

The City of Oroville 2030 General Plan sets policies to guide the OFD in providing adequate service to meet future growth, including a policy to “*maintain and enhance strategies to ensure adequate first response travel time of three to five minutes to incidents and travel time of ten minutes or less for additional resources within 90 percent of the call volume*”.

In 2019, the OFD was compliant with the City's established response time standards only 44% of the time. This disparity is the result of multiple contributing factors. Because of uneven and irregular growth patterns in the City, service demands vary considerably. Residential areas generally have higher call volumes, but many neighborhoods are segmented from the City's core by commercial and industrial districts making service response a challenge. Physical and geographic barriers such as the Feather River, Union Pacific Railroad, and Highway 70 require rescue vehicles to take a circuitous route, increasing response times. Because of this, the department relies heavily on outside agencies (CAL FIRE) to respond first to calls for service, particularly in areas north/west of the Feather River like Thermalito and South Oroville. The result of this need is a 600-call disparity in service reciprocation between CAL FIRE and City of Oroville.

The 2009 MSR for the City of Oroville highlights issues related to the City's growth and its ability to continue to provide quality service. For example, in 2006 OFD was able to meet established response times 96% of the time. Since 2006, the City's service area and population served has grown considerably, while OFD staff structure have remained fixed. Annexation of areas like South Oroville and Lower Wyandotte, as well as the development of new housing in east Oroville, have increased the number of calls for service outside of the City's core resulting in reduced response times. The City's ability to maintain existing service levels to meet the needs of the growing population and service area has become difficult as fire services compete with all City departments for limited funding.

With these considerations in mind, the City of Oroville City Council has been exploring options for increased fire protection services, with the goal of:

- 1) Enhancing fire protection services throughout the City,
- 2) Balance the existing reciprocation disparity between Oroville Fire Department and CAL FIRE, and
- 3) Satisfying fire protection response times for City of Oroville citizens established by the General Plan.

Practical options explored involve three primary scenarios:

Continue current service level: This scenario includes no growth in existing staffing, assumes three percent annual increase in salary and wages, five percent increase in supplies, and five percent increase in capital expenditures.

Implement/adopt the Oroville Fire Department Growth Plan: This is a proposed three-phase growth plan to be implemented over a five-year period. This scenario includes 18 new

fire fighter positions and 24 reserve fire fighter positions; the purchase of two new Type I Fire Engines, Type I Ladder Truck and various other apparatus and equipment; construction of one new fire station located at the airport and a new eastside facility to be funded through a City bond, and; additional operating expenses to support new staff, salary increases, station and equipment.

Cooperative Fire Service Agreement with CAL FIRE: This scenario includes a full transition of current staffing to CAL FIRE and would implement none of the increased staffing, station construction or apparatus purchases considered in other scenarios. CAL FIRE would assume all fire protection services including dispatching service under a single negotiated contract for a fixed annual cost

ANALYSIS

Provisions for Fire Protection Services by Contract requests are found in Government Code §56134 and in Section 4.5 of the Commission Policies and Procedures. In brief, the law allows that a public agency may provide new or extended services pursuant to a fire protection contract only if it first requests and receives written approval from the Commission in the affected county and when all criteria described in Government Code Section 56134 are met. The law defines a fire protection contract as a:

“Contract or agreement for the exercise of new or extended fire protection services outside a public agency’s jurisdictional boundaries that does either of the following:

- 1. Transfers responsibility for providing services in more than 25 percent of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement, or*
- 2. Changes the employment status of more than 25 percent of the employees of any public agency affected by the contract or agreement.”*

The proposed cooperative fire protection agreement would result in the transfer 100% of current OFD firefighting staff to a contractual employment status, triggering the need for review and approval by the Commission per the second criteria listed above.

Resolution of Application

On July 7, 2021, CAL FIRE and the City of Oroville jointly held two public workshops, one in the morning hours and one in the evening hours. The meetings were collectively attended by approximately 30-40 people. Staff from City of Oroville administration and fire departments, and CAL FIRE were available to explain the need for the contract, the process by which they must follow, and answer questions. Question topics from the public were generally related to the demise of current OFD employees and the status of EMFPD. No stance of support or opposition was taken.

At its July 20, 2021 meeting, the City of Oroville City Council adopted a resolution of application requesting and authorizing CAL FIRE to submit an application to LAFCo to provide fire protection services within the incorporated areas of the City of Oroville and any future annexed areas (**Exhibit C**). Pursuant to Government Code Section 56134(2), the application was signed/approved by the Program Budget Manager of the State of California Department of Finance. The application included all the required submittal materials described by Government Code 56134. Specific application components are further discussed below.

Application Criteria

Pursuant to GC56134(d) an application for fire protection services by contract can only be considered when certain application criteria are included and considered by the Commission. Such criteria includes Union Notification, a Plan for Service, and an Independent Fiscal Analysis. A summary of each criteria is provided below:

Union Notification

Firefighters employed by CAL FIRE and OFD are represented by two different local chapters of the International Association of Fire Fighters; CAL FIRE Local 2881, representing firefighters of CAL FIRE, and Local 2404 representing Oroville Fire Department. On May 20, 2021, CAL FIRE staff provided union representatives with written notification of CAL FIRE's intent to enter into a contract with the City of Oroville for fire protection services. Union representatives from both Local 2881 and Local 2404 have provided letters stating that they would not object to the contract moving forward (**Exhibit D**).

All current City of Oroville Fire Department staff would be transitioned to a contractual status upon implementation of the fire service contract. All staff whom chose to transition their employment to CAL FIRE would be assigned a rank equivalent to that which they currently serve with OFD. The CAL FIRE Assistant Chief that is funded by the City of Oroville will be appointed as the Fire Chief of the City of Oroville and will represent the fire department in that capacity. The Assistant Chief will report to the city administrator regarding fire department matters and to the Butte Unit Chief regarding CAL FIRE matters. The CAL FIRE Butte Unit Chief would serve as Chief of the Oroville office.

Plan for Service

Pursuant to GC56134(e), a Plan for Service (**Exhibit E**) was provided outlining details of the fire contract, such as total cost for services, fiscal impacts of the contract, and a description of services to be provided. Details regarding these specifics are described in further detail below:

Description of New Services Provided

The proposed CAL FIRE contract would provide a full service fire protection model, which includes two fire engines daily with three personnel each. One designated apparatus from City Station One will "cross-staff" the ladder truck to provide a response of that specialized apparatus for complex incidents such as heavy or technical rescue and structure fires. Base level of services provided within the contract include:

- Fire Suppression: Structural, wildland, vehicle, and any other unwanted fires.
- Medical Emergencies (Basic Life Support Emergency Medical Services at the EMT level).
- Traffic Collisions
- Specialized Rescues: Technical Rescues, Water Rescues, Confined Space, Urban Search and Rescue
- Hazardous Material Incidents
- Hazardous Conditions: Downed trees, electrical hazards, standbys for incidents where there is a life or property threat.
- Public Service Assists: People or animals in distress
- Extreme weather events or other natural disasters

- Specified fire stations will be designated as “Priority Cover” stations. In addition to being prepared for an initial response to a new emergency, we are always prepared for a second simultaneous emergency through the process of move up and cover resources. Within the existing CAL FIRE system, the City of Oroville will be a “Priority Cover” station. A station which is designated a priority cover station will have an engine moved up to cover that station when the stations engines are committed to an emergency or any activity that precludes a response to a second incident. Oroville Station One will be covered by either:
 - Assignment of a cover engine from another station (if available).
 - Call back of off-duty personnel.
 - Volunteer staffing.

In addition to these base level services provided by the contract, the City of Oroville would benefit from programs and support services provided by CAL FIRE. As CAL FIRE staff, firefighters would be integrated into the multiple teams and programs that serve City and County residents, including the water rescue team, interagency hazmat team, countywide disaster and evacuation planning program, and the interagency Butte County Technical Rescue Group (BIRG). The department would benefit from CAL FIRE resources to establish a Fire Explorer program to support local youth initiatives and establish a volunteer fire department program. Enhancements to the department include access to CAL FIRE training and Safety Bureau, ensuring that all federal, state, and local training mandates, laws and regulations are followed. Fire prevention, education and investigation services would be provided by CAL FIRE, including basic origin and cause investigation and Arson Investigation. Public education, wildland fire hazard inspections, and issuance of burn permit services would be assumed by CAL FIRE, including public education programs in schools and to the public.

Most notable would be the increase in services provided to Oroville residents by the fire service contract. Dispatch services (calls to 911) would be provided through the CAL FIRE Emergency Command Center (ECC) in Oroville. The ECC is staffed to provide 24-hour fire and emergency medical dispatch services with calls answered in 10 seconds or less 99.5% of the time. CAL FIRE’s cooperative fire agreement with the County of Butte opens up access to the several fire stations in and around the City of Oroville, including Station 63 (Oroville) on Nelson Avenue, Station 64 (Kelly Ridge) on Canyon Drive, and Station 72 (Palermo) on Palermo Road. Non-law enforcement calls transferred to the ECC would be responded to by the closest resource, regardless of jurisdiction. This concept provides a higher-level service through a consolidated, regional response model.

Facilities and Infrastructure

The City of Oroville would maintain ownership, title, and maintenance responsibilities of all existing facilities, apparatus, and fleet vehicles. CAL FIRE staff firefighters would utilize and operate all department engines, command vehicles and utility vehicles. CAL FIRE would review and provide recommendations to the City of Oroville concerning replacement of vehicles in accordance with National Fire Protection Association (NFPA) – Standard for Inspection, Maintenance, and Retirement of In-Service Fire Apparatus. All other portable equipment, such as radios, pagers, safety equipment, hoses, ladders and breathing apparatus will remain the responsibility of the City of Oroville, following a strict maintenance, testing and replacement schedule.

Alternatives and Cost for Service

The contract would be funded utilizing the City of Oroville’s General Fund and District Tax Fund and is anticipated to become effective July 1, 2022. The General Fund is funded by a variety of

revenue sources, including sales and use tax, property tax, franchise fees, licenses and charges for service. Additionally, in 2018 the citizens of the City of Oroville voted to approve a ballot measure (Measure U) imposing an additional 1% transactions and use tax (sales tax), with funds to be used specifically for the purpose of restoring essential public safety services and preventing further cuts to these departments. The fund (1% District Tax Fund) incurs public safety related staffing expenditures. If the City of Oroville enters into a cooperative fire agreement with CAL FIRE, 100% of current employee salary and employee benefit costs will be converted into a contractual service expenditure.

Pursuant to GC56134(f), an Independent Fiscal Analysis was prepared, comparing three service scenarios for the Oroville City Council's consideration (**Exhibit F**). The City of Oroville sees, on average, a 3.5% increase in its overall budget obligation for fire protection and assumes a 5% inflation increase. The analysis provides a budgetary forecast for all three scenarios, including amortization schedules for unfunded CalPERS liability and illustrative debt and lease liabilities. Below is a summary of budget forecast for all three scenarios for Year 1 (2022-23) and Year 5 (2026-27) of implementation:

Service Model	Year 1 (2022-23)	Year 5 (2026-27)
<i>Current Level of Service</i>	\$4,193,317	\$4,893,682
<i>Growth Plan</i>	\$5,935,500	\$9,019,816
<i>CAL FIRE Cooperative Agreement</i>	\$5,703,503	\$5,834,582

In comparing the three scenarios considered, maintaining the current level of service provides the City with the lowest budgetary option. Given that the City has determined that the current level of service is not desirable or sustainable, the cooperative fire agreement with CAL FIRE provides the next best financial option while increasing levels of service to the desired outcomes. Implementation of all three phases of the growth plan would create the largest financial burden on the City. Fiscal impact to the citizens of Oroville for the new service is minimal. The extended services would be funded from the same revenue sources from which the Oroville City Fire Department is currently funded.

The initial contract value is based on the budgeted cost of the positions and it expected to increase over the contract period as cost-of-living adjustments are approved. To recover indirect administrative costs, CAL FIRE is expected to charge an agency cost, which has ranged between 11-12% over the last 11 years. The City of Oroville will continue to pay all services and supply costs (Direct Operating Expenses) associated with the department, which includes fuel, vehicle maintenance, repairs and utilities. This cost is estimated at approximately \$202,000 annually. The existing fire station and apparatus will remain deeded to the city, and it will the City's responsibility to keep these assets in working order.

Comparison to Existing Service Provided to Similar Entities

The Fiscal Analysis provides a comparison of entities of similar population and geographic size, looking at a similar range of level and service. Comparing entity contracts to extract an apples-to-apple comparison is difficult, given the range of needs, services, and costs unique to each agency. The Town of Paradise, for example, budgets approximately \$4,100,000 for its CAL Fire contract (FY 2021-22), but still budgets \$617,410 for expenses for supplies, services, and capital expenditures. The Town of Paradise employs a part-time Fire Department administrative assistant and full-time Prevention Inspector outside of its CAL Fire contract. Overall, since entering into its

contract with CAL Fire, the Town of Paradise has seen a reduction in paid personnel costs of \$250,000, \$11,000,000 in retiree health obligations removed, and millions more in savings from reducing unfunded pension liabilities.

Existing Service Providers

As previously mentioned, the El Medio Fire Protection District overlays portions of the City of Oroville jurisdiction. In December 2020, the District ceased operations due to years of financial difficulties. Since that time, the City of Oroville Fire Department and CAL FIRE/Butte County Fire have responded to calls for service within in the EMFPD's service territory. In November 2021, the EMFPD formally requested to enter into a Joint Powers Agreement (JPA) with the City of Oroville, which would allow the agency to resume functions, staffed by the City of Oroville. The Oroville City Council denied the JPA request, understandably concerned that the District would not be able to meet the financial obligation. OFD and CAL FIRE continue to provide fire protection to citizens of EMFPD without financial compensation for service.

Costs associated with coverage for areas within the City of Oroville's jurisdiction that overlap with the EMFPD are not considered in the initial CAL FIRE contract, however, budget scenarios are included in the Plan for Service that illustrate an optional "Expanded Service Plan" that would add staffing to address the impacts of the EMFPD potential dissolution. This model includes staffing for an EMS/rescue squad, 5 additional personnel (three fire apparatus engines and two firefighters). The total expected cost for the Expanded Service Plan is estimated to be \$5,293,513 annually, including additional direct operating expenses associated with increased staff and fire apparatus.

LAFCo POLICY

CAL FIRE is responsible for the prevention and suppression of wildland fires for areas identified as State Responsibility Areas (SRAs). Because the City of Oroville is classified as a Local Responsibility Area (LRA) and fire protection is a responsibility of the local municipality, LAFCo approval is required for CAL FIRE to extend its services into the City's jurisdiction.

Pursuant to Butte LAFCo Policy 4.5.4.D, the Executive Officer is required to evaluate the following five factors when reviewing an extension of services request. The factors are intended to provide the Commission with information about certain topics that are relevant to extension of services request. No single factor is determinative. An evaluation of these factors as it relates to the proposed extension of service request follows.

- 1) The ability of the local agency to provide service to the proposal area without detracting from current service levels.

CAL FIRE operates about 530 facilities statewide, including fire stations, telecommunication facilities, conservation camps, air attack and helitack bases, administrative buildings, training centers, and a forestry nursery. For fiscal year 2021/22 the Governor's budget included \$2.9 billion for the California Department of Forestry and Fire Protection (CAL FIRE). Roughly, two-thirds of the department's budget is supported by the General Fund. CAL FIRE's Butte Unit employs over 350 summertime-uniformed personnel, 19 department chiefs, 16 civilian personnel and works with 161 county volunteers. CAL FIRE has sufficient capacity to provide fire service coverage to the City of Oroville without detriment to current service recipients. Services provided to other CAL FIRE contract partners (Butte County, City of Biggs, Gridley and Paradise) would not change as a result of the contract.

- 2) The proposal’s consistency with the policies and general plans of all affected local agencies.

The City of Oroville 2030 General Plan Safety Element establishes goals, policies, and actions to protect lives and property from risks associated with wildland and urban fire. The City Council has adopted the Fire Department Standards of Cover Guidelines to the Safety Element to guide future growth issues, and staff recommendations guide the maintenance of this standard. The fire service contract would promote the City’s ability to meet response time goals as established in the General Plan.

CAL FIRE’s primary mission is to “provide professional services to protect lives, property, and environment to those residing, working, or traveling within the unincorporated areas of Butte County, and Cities of Biggs, Gridley, and the Town of Paradise.” The contract would allow the City of Oroville to benefit from CAL FIRE’s core values, which include effective communications, cooperation, professional coordination and commitment to serve.

- 3) The proposal’s effect on growth and development within and adjacent to the affected land.

The proposed fire contract would provide a more efficient and consistent service to areas of the City where coverage does not currently meet the identified goals and policies of the General Plan. The proposal would not result in changes to land use designations and zoning provide by the Oroville General Plan and zoning regulations. No development beyond what is described in the General Plan is anticipated by implementation of the contract.

- 4) Whether the proposal contributes to the premature conversion of agricultural land or other open space land.

The service area for the proposed fire contract concerns the City of Oroville. The proposed contract will not affect agricultural lands.

- 5) The likelihood of a later change of organization being initiated by the affected agency.

The fire service contract would provide existing and future residents of the City of Oroville with adequate and reliable fire protection service as described by the General Plan. Changes in organization associated with extension of service requests typically occur when the agency receiving service requests to annex into the territory of the agency providing the service. In this case, the City of Oroville could not annex into the State Responsibility Area, so no change in organization is anticipated.

CONCLUSION

The City of Oroville City Council and staff have determined that the City needs to implement a new fire service plan in order to meet the needs of the existing and future residents of the City. As described above, when comparing the three scenarios considered, maintaining the current level of service provides the City with the lowest budgetary option. Given the City has determined that this level of service is not sustainable or satisfactory, the cooperative fire agreement with CAL FIRE provides the next best financial option while increasing levels of service to the desired outcomes. CAL FIRE has an extensive history of providing dedicated fire protection to over 31 million acres of California’s privately owned wildland, as well as staffing stations in 36 of the state’s counties. Staff recommends that the Commission consider the Plan for Service and Comprehensive Fiscal Analysis (Exhibits **D** and **E**) included in the report and approve the request.

Environmental Analysis

The California Department of Forestry and Fire Protection (CAL FIRE) is the Lead Agency for the proposed fire contract under the California Environmental Quality Act (CEQA). Butte LAFCo is a Responsibly Agency for environmental review. CAL FIRE determined that the proposed extension of service is exempt from the provisions of the CEQA pursuant to Sections 15301 and 15320. Section 15301 - Existing Facilities - consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. Section 15320 – Changes in Organization - consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. This project in its entirety consists of CAL FIRE assuming responsibility for providing fire-protection service to the City of Oroville. The existing facilities and equipment will continue to be used and the level of staffing will not be reduced. There will be no change to the geographical area currently being served by the Oroville Fire Department. Staff concurs with CAL FIRE’s determination.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this report and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1 – APPROVE the proposal as submitted:

- A. Find that the extension of services request is exempt from the provisions of the California Environmental Quality Act pursuant to Code Section 15301 (Existing Facilities) and 15320 (Changes in Organization).
- B. Adopt Resolution No. 13 2021/22 authorizing the California Department of Forestry and Fire Protection (CAL FIRE) to provide fire protection services within the incorporated areas of the City of Oroville and any future annexed areas.

OPTION 2 - DENY the proposal.

OPTION 3 - CONTINUE this proposal to a future meeting for additional information.

ACTION REQUESTED: Approve OPTION 1.

Respectfully submitted,

Shannon Costa

Shannon Costa
Local Government Planning Analyst

Attachments:

- Exhibit A: Area Map
- Exhibit B: Draft LAFCo Resolution No. 13 2021/22
- Exhibit C: City of Oroville Resolution No. 8970
- Exhibit D: Union Notification Letter
- Exhibit E: Plan for Service
- Exhibit F: Independent Fiscal Analysis
- Exhibit G: Notice of Exemption

DISTRIBUTION

City of Oroville, attn.: Bill LaGrone, blagrone@oropd.org

CAL Fire, attn.: Garrett Sjolund, Garrett.Sjolund@fire.ca.gov

CAL Fire, attn.: John Messina, John.Messina@fire.ca.gov

RESOLUTION 13 2021/22

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF THE COUNTY OF BUTTE
AUTHORIZING THE CALIFORNIA DEPARTMENT OF
FORESTRY AND FIRE PROTECTION (CAL FIRE) TO PROVIDE
FIRE SERVICES BY CONTRACT TO THE CITY OF OROVILLE**

RESOLVED, by the Local Agency Formation Commission of the County of Butte, State of California, that

WHEREAS, a proposal for fire protection services by contract by the California Department of Forestry and Fire Protection (CAL Fire) to the City of Oroville, in the County of Butte, was accepted for filing on November 22, 2021, by the Executive Officer of this Local Agency Formation Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, CAL Fire submit an application consistent with the requirements set forth in Government Code Section 56134, including all application submittal materials; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56658, set April 7, 2022, as the hearing date on this proposal; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission called for and held a hearing on April 7, 2022, and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

NOW, THEREFORE, the Local Agency Formation Commission of the County of Butte **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. Environmental Action:

- A. The Commission finds that the extension of services request is exempt from the provisions of the California Environmental Quality Act per Sections 15301 (Existing Facilities) and 15302 (Changes in Organization).

Section 2. Determinations:

- A. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, Sphere of Influence and City of Oroville General Plan, the City of Oroville Municipal Service Review, and other factors specified in Government Code Section 56134, and as described in the staff report dated March 2*, 2022 for the meeting of April 7, 2022.
- B. The Commission authorizes CAL Fire to extend fire protection services within the incorporated areas of the City of Oroville and any future annexed areas.

- C. The proposal is assigned the following short form designation: 22-07 – CAL Fire Services by Contract – City of Oroville.
- D. The Commission has determined that the CAL Fire has sufficient revenues to carry out the exercise of the extended fire protection service outside of its jurisdictional boundaries.
- E. The Commission has reviewed the Fiscal Analysis prepared for the proposal.
- F. The Commission determines that CAL Fire is expected to receive revenues sufficient to provide public services and facilities and has a reasonable reserve during the three fiscal years following the effective date of the contract.
- G. The proposal is consistent with the intent of division 56134 of the Government Code, including, but not limited to, the policies of Sections 56001 and 56300.
- H. The Commission has reviewed the Plan for Service and determined that:
 - 1. The total estimated cost for providing fire service to the City of Oroville is \$12,909,166 for the three-year contract.
 - 2. The contract would be funded utilizing the City of Oroville’s General Fund and no fiscal impact would occur to the residents of the City of Oroville as a result of the contract.
 - 3. The City of Oroville Fire Department is the current service provider and no fiscal impact would occur to the residents of the City of Oroville as a result of the contract.
 - 4. The contract would be funded utilizing General Fund and Measure U monies.
 - 5. There exists no other feasible alternative that would result in increased fire protection services to the City of Oroville.
 - 6. CAL Fire would provide a full-service fire protection model including, but not limited to, fire suppression, dispatching, and basic life support services.
 - 7. CAL Fire will provide increased fire protection to the City of Oroville through its cooperative regional response service model.
 - 8. The fire service contract would begin on July 1, 2022.
 - 9. Existing Oroville Fire Department facilities and vehicles are of adequate condition. All Personal Protective Equipment (PPE) must meet CAL Fire standards and upgraded as determined by CAL Fire.
 - 10. CAL Fire has provided written notification to Oroville Firefighters Association (IAFF Local 2404) and CAL Fire Local 2881 of their intent to enter into the fire service contract.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on 7th day of April 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINS:

ATTEST:

Steve Lucas, Clerk of the Commission

CARL LEVERENZ, Chair
Butte Local Agency Formation Commission

DRAFT

CITY OF OROVILLE
RESOLUTION NO. 8970

A RESOLUTION OF THE OROVILLE CITY COUNCIL AUTHORIZING CAL FIRE TO MAKE APPLICATION TO THE LOCAL AGENCY FORMATION COMMISSION (LAFCo) FOR CONTRACT FIRE PROTECTION SERVICES FOR THE CITY OF OROVILLE.

WHEREAS, the City of Oroville has received a bid for providing fire protection services for the City of Oroville; and

WHEREAS, Cal Fire submitted the bid; and

WHEREAS, after due consideration the City of Oroville desires to contract to with Cal Fire for fire protection services.

NOW THEREFORE, be it hereby resolved by the Oroville City Council as follows:

1. Cal Fire is requested and authorized to make application to LAFCo, to provided fire protection services within the incorporated areas of the City of Oroville and any future annexed areas.
2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Oroville City Council at a regular meeting on July 20, 2021, by the following vote:

AYES: Riggs, Smith, Thomson, Reynolds

NOES: Hatley, Goodson, Pittman

ABSTAIN: None


ABSENT: None



Chuck Reynolds, Mayor

APPROVED AS TO FORM:

ATTEST:



Scott E. Huber, City Attorney



Jackie Glover, Assistant City Clerk

Oroville Firefighters Association

IAFF Local 2404

2055 Lincoln St
Oroville CA 95966
530.403.1169

OrovilleFirefighters@gmail.com

May 26, 2021

Bill Lagrone
1735 Montgomery St
Oroville CA 95966

Mr. Lagrone,

The Oroville Firefighters Association has decided to stop opposing the City of Oroville's intent to contract with the State of California for fire services. We understand the City's position and acknowledge the benefits of regionalization.

The Oroville Firefighters are requesting to extend our current contract with the City for one year without any changes. We would also like to begin negotiations for the transitional memorandum of understanding between the Oroville Firefighters and the City of Oroville as soon as possible.

Sincerely,



Donald Robinson



CAL FIRE LOCAL #2881

IAFF • AFL-CIO

Representing the Professional Firefighters of CAL FIRE

Via Email and US Mail

September 10, 2021

John Messina, Unit Chief
CAL FIRE – Butte Unit
176 Nelson Ave.
Oroville, CA 95965

Chief Messina,

Now that the City of Oroville has officially decided to enter into a contract for service with CAL FIRE to provide fire department services to their community; CAL FIRE Local 2881 recognizes the benefit of cooperative fire protection and supports the contract going forward.

If you have any questions, you may contact us at any time.

Respectfully submitted,

Josh Baker, Butte Chapter Director
CAL FIRE Local #2881

John Gaddie, District VII Vice-President
CAL FIRE Local #2881

CC: Time Edwards, President
CAL FIRE Local #2881



DEPARTMENT OF FORESTRY AND FIRE PROTECTION
Butte Unit
176 Nelson Avenue
Oroville, California 95965
(530) 538-7111
Website: www.fire.ca.gov



May 20th, 2021

Mr. Josh Baker, Local 2881 Butte Chapter Director
1731 J St. 100
Sacramento, Ca 95811

RE: Notice of Proposed Cooperative Fire Protection Agreement Between CALFIRE and the City of Oroville.

Government Code - § 56134 requires the California Department of Forestry and Fire Protection (CALFIRE) to provide written notice to CALFIRE Local 2881 and Oroville Firefighters Local 2404 of the proposed fire protection contract with the City of Oroville at least 30 days prior to any public hearing on the resolution of application for new fire protection services.

This notice serves as official notification that the City of Oroville and CALFIRE intend to enter into a cooperative fire protection agreement. CALFIRE and the City of Oroville will hold a public hearing on the resolution of application for LAFCo consideration a minimum of 30 days from the date of this notice. A proposed fire protection agreement is included for your review.

Sincerely



John Messina, Unit Chief

CC: Bill Lagrone, Oroville City Administrator

Hand delivered



DEPARTMENT OF FORESTRY AND FIRE PROTECTION

Butte Unit
176 Nelson Avenue
Oroville, California 95965
(530) 538-7111
Website: www.fire.ca.gov



May 20th, 2021

Mr. Donald Robinson, Local 2404 President
2055 Lincoln St
Oroville CA 95966

RE: Notice of Proposed Cooperative Fire Protection Agreement Between CALFIRE and the City of Oroville.

Government Code - § 56134 requires the California Department of Forestry and Fire Protection (CALFIRE) to provide written notice to CALFIRE Local 2881 and Oroville Firefighters Local 2404 of the proposed fire protection contract with the City of Oroville at least 30 days prior to any public hearing on the resolution of application for new fire protection services.

This notice serves as official notification that the City of Oroville and CALFIRE intend to enter into a cooperative fire protection agreement. CALFIRE and the City of Oroville will hold a public hearing on the resolution of application for LAFCo consideration a minimum of 30 days from the date of this notice. A proposed fire protection agreement is included for your review.

Sincerely



John Messina, Unit Chief

CC: Bill Lagrone, Oroville City Administrator

CITY OF OROVILLE
FIRE PROTECTION SERVICE PLAN
In Cooperation with the
CAL FIRE
Butte Unit



Executive Summary

CAL FIRE is a modern, full-service fire protection response and emergency management agency which provides comprehensive fire protection services. CAL FIRE’s mission, as directed and authorized by the State Legislature, authorizes CAL FIRE to provide contractual emergency services when requested, to local governments throughout California. In meeting this mission, CAL FIRE has a history of providing cooperative fire protection services for over 100 years. CAL FIRE has 110 fire protection agreements with cities, special districts, and counties throughout California.

CAL FIRE is committed to providing regional fire protection solutions that make the most effective use of emergency resources. CALFIRE and the City of Oroville intend to enter into a full-service cooperative fire protection agreement with an execution date of the agreement on July 1st, 2022. This document outlines the plan for service to be provide by CALFIRE and the potential impacts to the citizens of Oroville. This plan also includes an optional service model that adds staffing to address the impacts of the El Medio Fire Protection District’s potential dissolution.

Total Estimated Cost to Provide Service

Personnel Costs:

The unknown status of the El Medio Fire protection District has directing bearing on the final contract amount. The City of Oroville may decide to increase staffing to address the increased emergency call volume created by the closure of the Fire District. The contract submitted with this application was developed using staffing levels associated with the “Expanded Service Plan” which includes the increase personnel. It is a “Not to Exceed” 3-year contract and reimbursement billing is based on actual cost should the final contract be based of the original service plan model.

CAL FIRE salary, benefits and administrative rates utilized to develop contract costs are defined by CAL FIRE, current Memorandums of Understanding between the State of California and its labor groups, and applicable state laws or rules. Fiscal year 2021/22 actual rates were used to develop personnel costs. ATTACHMENT 2 (LG-1 Contract) shows the estimated cost for a 3-year contract.

Direct Operating Expenses:

The direct operating costs were provided by the city and represent the projected budget for Oroville Fire Department in FY 2021/22. Direct operating costs are the costs associated with operating the fire department that are not associated with the personnel cost. These costs include items such as fuel, vehicle maintenance, repairs, station utilities and equipment.

Estimated Cost of Original Service Plan – Year 1

<i>CAL FIRE Personnel Services Proposed FY 2021/22</i>	<i>\$4,176,507.00</i>
<i>Direct Operating Expenses</i>	<i>\$ 202,000.00</i>
<i>Total</i>	<i>\$4,378,507.00</i>

3-year contract cost total for personnel services = \$12,909,166.00

Original Service Plan Daily Staffing

- Minimum daily staffing will be two (2) FC, two (2) FAE and two (2) FFII, one Battalion Chief available 24/7, and a Duty Chief (DC).
- On-duty personnel will staff two Type 1 fire apparatus. Personnel on the second engine will cross-staff the truck or specialty equipment.

Fire Protection Service Plan, Oroville Fire Department

Plan for Service includes the following department staffing

- 1 – Assistant Chief (AC)
- 2 – Battalion Chiefs (BC)
- 5 – Fire Captains (FC)
- 6 – Fire Apparatus Engineers (FAE, Driver/Operator)
- 4 – Firefighter 2 (FF2, Firefighter 2 is a permanent firefighter with CAL FIRE)
- 2 – Communication Operators (CO, Dispatchers in the Oroville Emergency Command Center)

Expanded Service Plan

CALFIRE has provided the City of Oroville with an expanded service model to address the increase service the City will be required to provide should the El Medio Fire Protection District dissolve. The expanded service model includes the staffing for an EMS/rescue squad. The alternative service plan includes 5 additional personnel to the agreement: three (3) Fire Apparatus Engines and two (2) Firefighter II. \$50,000 has been added to the direct operating expenses. This is an estimated cost to staff an additional station.

Estimated Cost for Expanded Service Plan - Year 1

CAL FIRE Personnel Services Proposed FY 2021/22	\$5,041,513.00
Direct Operating Expenses	\$ 252,000.00
Total	\$5,293,513.00

3-year contract cost total for personnel services = \$15,582,812.00

Alternative Service Plan Daily Staffing

- Minimum daily staffing will be two (2) FC, three (3) FAE and three (3) FFII, one Battalion Chief available 24/7, and a Duty Chief (DC).
- On-duty personnel will staff two Type 1 fire apparatus and one EMS/rescue squad. Personnel on the second engine or EMS/rescue squad will cross staff the truck.

Alternative Plan for Service includes the Following Department Staffing

- 1 – Assistant Chief (AC)
- 2 – Battalion Chiefs (BC)
- 5 – Fire Captains (FC)
- 9 – Fire Apparatus Engineers (FAE, Driver/Operator)
- 6 – Firefighter 2 (FF2, Firefighter 2 is a permanent firefighter with CAL FIRE)
- 2 – Communication Operators (CO, Dispatchers in the Oroville Emergency Command Center)

Total Estimated Cost of New Services to Costumers

Oroville City currently funds the fire department partial through the City's general fund, a sales tax (Measure U) with no sunset and other revenue generated from department activities. Any additional cost to provide service will be covered by those funding mechanisms with no addition cost incurred by the customer.

Existing Service Provider of the Proposed Extended Service Area

Oroville Fire Department

The Oroville Fire Department is the existing service provider of the purposed service area expansion by CALFIRE. The Oroville Fire Department is a career staffed fire department and operates out of one fire station located at 2055 Lincoln St. The department is currently deployed as follows:

Career Firefighters and Support Staff

- 18 Career firefighters
- 1 Fire Marshal
- ½ Administrative Assistant

The daily staffing consists of six full-time City of Oroville employees who staff two fire apparatus from the fire station at 2055 Lincoln Blvd. Staffing is three personnel on each engine. However, the department routinely reduces staffing when it does not provide post coverage behind vacant shifts. The department has adjusted its staffing model to accommodate the additional workload created with the closure of El Medio Fire Protection District Station 3. Their daily staffing numbers are the same but distributed over three apparatus.

Fiscal impact to the citizens of Oroville for the new service is minimal. The extended services will be funded from the same revenue sources the Oroville City Fire Department is currently funded from.

Financing the New Service

These services will be paid for utilizing the General Fund. A contract with CALFIRE would negate the necessity to maintain a local Fire Department. The monies now used to fund the local Fire Department would be utilized to fund the Fire Service contract.

Alternative to New Services

The only alternative that would exist to this contract would be the expansion of the Oroville Fire Department. This option does not appear to be financially feasible, making it only an option of desperation.

Enumeration and Description of the New Service to Oroville City by CALFIRE

CAL FIRE will deliver a service model, approved by the City Council which includes two (2) fire engines daily with three (3) personnel each for a daily total of eight (6) personnel. One designated apparatus from station one will “cross-staff” the ladder truck to provide a response of that specialized apparatus for complex incidents such as heavy or technical rescue and structural fires. Chief officer coverage will be provided as described below in the section “Chief Officers Assigned”.

Base level of services provided within the contract

- Fire Suppression: Structural, wildland, vehicle, and any other unwanted fires.
- Medical Emergencies (Basic Life Support Emergency Medical Services at the EMT level).
- Traffic Collisions
- Specialized Rescues: Technical Rescues, Water Rescues, Confined Space, Urban Search and Rescue
- Hazardous Material Incidents
- Hazardous Conditions: Downed trees, electrical hazards, standbys for incidents where there is a life or property threat.
- Public Service Assists: People or animals in distress
- Extreme weather events or other natural disasters
- Specified fire stations will be designated as “Priority Cover” stations. In addition to being prepared for an initial response to a new emergency, we are always prepared for a second simultaneous emergency

Fire Protection Service Plan, Oroville Fire Department

through the process of move up and cover resources. Within the existing CAL FIRE system, the City of Oroville will be a “Priority Cover” station. A station which is designated a priority cover station will have an engine moved up to cover that station when the station's engines are committed to an emergency or any activity that precludes a response to a second incident. Oroville Station one will be covered by either:

- Assignment of a cover engine from another station (if available).
- Call back of off-duty personnel.
- Volunteer staffing.

Implementation and Enhancement of the Fire Department Teams & Programs

- Integrate the Oroville Fire Department’s water rescue team into the current CAL FIRE Butte County water rescue team.
- Increase the Oroville Fire Department’s role and participation within the interagency Butte County Technical Rescue Group (BIRG) in accordance with the BIRG agreement.
- Increase the Oroville Fire Department’s role and participation in the countywide interagency Hazmat Team in accordance with the JPA.
- Establish a Fire Explorer program to support local youth initiatives and succession planning.
- Establish a volunteer firefighter program within the city that would be integrated into the Butte County Fire Department volunteer program. Funding for the City element of the fire explorer and volunteer programs to be provided by the city.
- Maintain, manage, and enhance the Community Emergency Response Team (CERT).
- Disaster Planning for the City of Oroville will be supported by CAL FIRE and further integrated, where appropriate into the countywide disaster and evacuation planning program.
- Provide representation as the fire department liaison in the city EOC.

Administrative and Support Services

The CAL FIRE Assistant Chief that is funded by the City of Oroville will be appointed as the Fire Chief of the City of Oroville and will represent the fire department in that capacity. The Assistant Chief will report to the city administrator regarding fire department matters and to the Butte Unit Chief regarding CAL FIRE matters.

Many of the administrative and support services functions for the fire department will continue to be managed as part of the City. Human Resources support functions related to the personnel within the CAL FIRE agreement will be performed by CAL FIRE at the Butte Unit headquarters office in Oroville.

City Fire Department Administrator – Assistant Chief

- Manage the fire department in a professional and efficient manner.
- Attend city council meetings.
- Prepare, present, and manage the fire department budget including long term capital, facility maintenance, and equipment replacement planning.
- Provide personnel management services.
- Attend other policy making meetings or events as appropriate or requested.
- Coordinate emergency planning with other agencies including automatic and mutual aid agreements.

Chief Officers

- The CAL FIRE Assistant Chief funded by the City of Oroville will be designated as the city fire chief and will maintain an office in Oroville. The Assistant Chief reports to the CAL FIRE Unit Chief as well as to the city administrator for fire department matters. The city will be responsible to provide a command vehicle, typically a ¾ ton pickup with associated code three and radio equipment assigned to the city funded CAL FIRE Assistant Chief.

Fire Protection Service Plan, Oroville Fire Department

- The CAL FIRE Assistant Chief will be the primary administrative contact to the city. The Assistant Chief is a 40-hour employee that typically works Monday-Friday. The Assistant Chief will oversee the operational and administrative functions of the fire department.
- The CAL FIRE Assistant Chief will also be the primary contact for the CAL FIRE Battalion Chiefs assigned under the CITY contract.
- The CAL FIRE Battalion Chiefs funded by the City of Oroville will be assigned to the city to manage the day-to-day supervision and operational functions and will maintain an office at the fire department. A battalion chief works three consecutive 24 hr. shifts (72 hrs.). The balance of battalion coverage will be shared by a CAL FIRE Battalion Chief funded by the state or county. This will provide 7-day per week, 24-hr. per day coverage for the City of Oroville. The City of Oroville will be responsible to provide two command vehicles typically a ¾ ton pickup with associated code three and radio equipment assigned to the city funded CAL FIRE Battalion Chiefs.

Provide 24/7 CAL FIRE Battalion Chief and Duty Chief Coverage

- A CAL FIRE Assistant Chief assigned as the Unit Duty Chief will provide response to complex or extended emergencies and manage urgent administrative matters. The CAL FIRE Assistant Chiefs provide 24/7/365 Duty coverage on a rotational basis to the City of Oroville and the CAL FIRE Butte Unit.
- 24/7 Battalion coverage will be shared by the CAL FIRE Battalion Chiefs funded by the city of Oroville and other CAL FIRE Battalion Chiefs funded by the state or county. This will provide 7-day per week, 24-hour per day coverage for the City of Oroville.
- A CAL FIRE Chief Officer will respond to all emergencies designated in the response plan which require a chief officer response for the City of Oroville.

Emergency Command Center (ECC) provided by CAL FIRE

CAL FIRE will provide fire department 9-1-1 emergency dispatch services through the CAL FIRE Emergency Command Center (ECC) in Oroville. The CAL FIRE ECC will assume the responsibility for fire and emergency medical dispatching of City of Oroville fire units. The City of Oroville will share in the staffing of the ECC through the agreement.

The CAL FIRE ECC is staffed to provide 24-hour fire and emergency medical dispatch services, dispatching approximately 16,000 incidents per year in Butte County. Currently the CAL FIRE ECC dispatches resources for jurisdictions of; CAL FIRE, Butte County Fire, and the cities of Biggs and Gridley, and the Town of Paradise Fire Departments. See Appendix C for detailed information and statistics about the CAL FIRE Emergency Command Center in Oroville.

Communication Performance Standards

The CAL FIRE ECC is what is known as a secondary Public Safety Answering Point (PSAP) that receives emergency transfers from the primary PSAP, the jurisdictional law enforcement agency. Upon receipt of an emergency call the ECC provides full dispatch services, including all risk incident dispatching, Emergency Medical Dispatch triaging with pre-arrival instructions, status keeping, resource ordering and incident record keeping.

- The Oroville Police Department will continue as the primary 9-1-1 answering point (PSAP) for the City of Oroville under this agreement. In this relationship the primary PSAP will transfer non-law enforcement emergencies such as fire and medical emergencies to the secondary PSAP, the CAL FIRE Oroville Emergency Command Center.
- The CAL FIRE ECC will dispatch fire and medical units, maintain accountability of resources, receive and process requests for additional resources, and make all other notifications and record keeping.

Fire Protection Service Plan, Oroville Fire Department

- The CAL FIRE ECC answered 911 calls within 10 seconds over 99.5% of the time in 2019 per the Cal OES Emergency Call Tracking System (eCATS) for 911 phone lines.
- The CAL FIRE ECC will complete the dispatch of the appropriate City of Oroville fire units on the CAL FIRE primary dispatch frequency within 60 seconds of completion of 9-1-1 transfers, to a standard of greater than 90% of the time.
- The CAL FIRE Butte Unit ECC utilizes Emergency Medical Dispatching (EMD) protocols established by the National Academy of Emergency Medical Dispatching. Dispatchers are trained to provide “pre-arrival” medical instructions to callers to assist with medical intervention and based on the urgency of the call type can prioritize urgent, code-three responses, from less urgent, code-two responses.
- CAL FIRE will work with all contracting agencies to jointly share the responsibility for producing, validating, and updating the Geographical Information System (GIS) based maps and dispatch response plans within the Computer Aided Dispatch (CAD) system to ensure the accurate dispatching of fire and EMS resources.
- The CAL FIRE ECC in Oroville is the designated Butte Operational Area mutual aid coordinator for all fire departments within Butte County. The Oroville ECC processes requests, places resource orders and assigns resources based on requests for mutual aid assistance during emergencies that are beyond the scope of local jurisdictions.
- The CAL FIRE ECC in Oroville is also the Local Emergency Medical Service Agency (LEMSA) approved EMS Helicopter coordinator for Butte County.

Fire Department Training Programs provided by CAL FIRE

CAL FIRE Butte Unit has a full-time training and safety bureau under the command of a battalion chief. Four full time captains provide; EMS, fire control, safety and a volunteer program coordination, and an administrative assistant handles records management.

The CAL FIRE Training and Safety Bureau is responsible for the delivery and documentation of training and safety for all career and volunteer personnel. The Bureau will ensure that all federal, state, and local training mandates, laws and regulations are followed as they pertain to fire service training. The Training and Safety Bureau will operate within and enforce the policies and procedures of CAL FIRE, Butte County Fire Department and the Butte County Fire Chiefs Association.

Fire Prevention, Education & Investigation Services provided by CAL FIRE

CAL FIRE will provide basic fire investigation services commensurate with the level of training received by our assigned fire apparatus personnel. This level of investigation is commonly referenced as a preliminary origin and cause investigation. The purpose of the preliminary origin and cause investigations are to ensure that the Department meets the reporting requirements of the National Fire Incident Reporting System (NFIRS).

- The origin and cause investigation of fires exceeding the level of training of assigned fire apparatus personnel will remain with the Oroville Police Department. CAL FIRE may provide Arson Investigation and Law Enforcement assistance on an as-needed basis if available through the mutual aid process to the City of Oroville Police Department. If the City of Oroville would like CAL FIRE to provide a proposal for this service on a full-time basis a request can be made later.

CAL FIRE will also provide public education, wildland fire hazard inspections (weed abatement) and issuance of burn permits by the engine company personnel.

- Public Education Program
 - School and civic programs
 - Community outreach
- Fire Hazard Reduction Program

Fire Protection Service Plan, Oroville Fire Department

- Initial and secondary follow-up weed abatement inspections and enforcement will be provided by the fire officer assigned to the fire apparatus. Following the initial and secondary inspection all non-compliance of weed abatement issues will be turned over to the City of Oroville Code Enforcement.
- Issuance of City of Oroville burn permits will continue to be administered by the fire department administrative assistant, CAL FIRE staff will assist as needed.

The Fire Marshal, Fire Protection Planning (Land Use Planning) and complex fire investigation and law enforcement functions will be maintained by the City of Oroville.

Fire Apparatus and Portable Equipment

- The City of Oroville will maintain ownership and title to all existing apparatus.
- The City of Oroville will maintain all City of Oroville fire apparatus and fleet vehicles. This proposal does not include full-service fleet management, maintenance, or repair.
- CAL FIRE will utilize and operate existing City of Oroville Fire Department engines, command vehicles, and utility vehicles.
- CAL FIRE will review the current allocation of vehicles at the fire stations and make recommendations to the City of Oroville.
- The City of Oroville will be responsible for replacement of the existing City of Oroville fire apparatus upon its retirement from service. The life expectancy of each apparatus type will be defined in an approved apparatus replacement plan.
- CAL FIRE will make recommendations regarding the replacement of existing City of Oroville fire apparatus, in accordance with NFPA 1911 – Standard for Inspection, Maintenance and Retirement of In-Service Fire Apparatus.
- All other portable fire equipment will be on a maintenance, testing and replacement schedule. This equipment to include radios, pagers, firefighter turnouts, personnel safety equipment, hose, fire extinguishers, ladders, and breathing apparatus will remain as a responsibility of the City of Oroville.
- CAL FIRE station personnel are trained in key automotive preventive maintenance and daily inspections for the apparatus to which they are assigned.

Facility Maintenance

Facilities will be maintained and repaired by CAL FIRE staff within their skills including normal housekeeping, minor landscape maintenance and minor repairs. Improvements, extensive repairs and maintenance will be the responsibility and at the discretion of the City of Oroville and accomplished through existing policies and procedures.

Other Administrative Services provided by CAL FIRE

CAL FIRE will aid with Information Technology (IT) purchasing and services for IT equipment utilized by CAL FIRE staff and connected to the CAL FIRE domain. CAL FIRE will also assist with fire service grant management.

- CAL FIRE IT will provide the CITY with computer specifications and replacement cycle based on CAL ISO specification. The City of Oroville will purchase IT equipment and CAL FIRE IT staff will configure the IT equipment for the CAL FIRE domain and computer applications and will install and service equipment.
- To protect CAL FIRE's and the CITY's digital assets and IT infrastructure, the CITY will comply with CAL FIRE information security policy and procedures including but not limited to the multifactor authentication (MFA)

Fire Protection Service Plan, Oroville Fire Department

for accessing of CAL FIRE's enterprise network, and CAL FIRE contracted Microsoft O365 office product suite and other cloud-based software solutions.

- CAL FIRE will assist the City of Oroville Fire Department with identifying and applying for federal, state, local and private grants and if received, assist in grant administration. A CAL FIRE employee within the contract would be identified and work as the lead in applying for and managing any fire department related grants.
- During the summer period when the threat of wildland fire exists, either through incident activity or resource drawdown, federal and state agencies such as the US Forest Service and CAL FIRE often rent fire engines from local government departments through the California Fire Assistance Agreement to meet operational needs. The rental of City of Oroville apparatus to federal and state agencies can provide varying amounts of unanticipated revenue. Typically, in cooperative agreements these funds are set aside by the local jurisdiction in an apparatus replacement fund to assist in the long-term replacement of fire department apparatus.

Daily Staffing

- Minimum daily staffing will be two (2) Fire Captains (FC), two (2) Fire Apparatus Engineers (FAE) and two (2) Firefighter II's (FFII), (1) Battalion Chief available 24/7, and (1) Duty Chief (DC). Daily staffing would be increased by 2 if the City choose the expanded service model. The Battalion Chiefs and Duty Chief coverage will be shared across jurisdictional boundaries with CAL FIRE, Butte County Fire and Oroville Fire.
- On-duty personnel will staff two Type 1 fire apparatus. Personnel on the second engine will cross staff the truck. Cross staffing means to move staffing from the engine to the truck so that the truck may respond to complex incidents with specialized resources and tools.
- The assigned Battalion Chiefs will provide daily administrative oversight and operational response on complex incidents.

Plan for Service includes the Following Department Staffing

- 1 – Assistant Chief (AC)
- 2 – Battalion Chiefs (BC)
- 5 – Fire Captains (FC)
- 6 – Fire Apparatus Engineers (FAE, Driver/Operator)
- 4 – Firefighter 2 (FF2, Firefighter 2 is a permanent firefighter with CAL FIRE)
- 2 – Communication Operators (CO, Dispatchers in the Oroville Emergency Command Center)

Level, Range and Date of New Service to the City of Oroville

This service plan improves the current level of service provided by Oroville Fire Department by maintaining a minimum of two three-person fire engines. A cooperative agreement for fire protection with CAL FIRE provides an increased layered level of service to the community. The service plan also provides depth of resources through a direct relationship with CAL FIRE and indirectly with the Butte County Fire Department. The service plan takes advantage of economies of scale in operational resources, personnel and leadership, and support programs such as dispatch (ECC), training, prevention, and administration.

CALFIRE also has one fire station located at the headquarters facility which provides automatic aid to the City of Oroville. Additionally, CALFIRE is engaged with a cooperative fire protection agreement with the County of Butte. Butte County has two stations located on the periphery of the city limit boundaries and one within the city limit. The entire Oroville region would be serviced by the closest resources regardless of jurisdiction (ATTACHMENT 1). This concept provides a higher-level service through a consolidated, regional response model. This service plan shall be implemented city wide and provides for service 365 days a year 24 hours a day. Implementation of the new service would occur July 1st, 2022.

Imposed Improvements and Upgrades to Facilities, Vehicles or Equipment

During the transition period, CALFIRE will assess the City of Oroville current facilities, vehicles and equipment to ensure they meet CALFIRE and industry standards. A brief assessment has concluded that the City's apparatus and facilities are of adequate condition and would fall into the normal City of Oroville capital assets replacement plan.

Should the City of Oroville decide to staff the recently closed EL Medio FPD station 3, there will be costs associated with bring the facility up to livable standards.

Radio communications systems are adequate to integrate into the new dispatching systems.

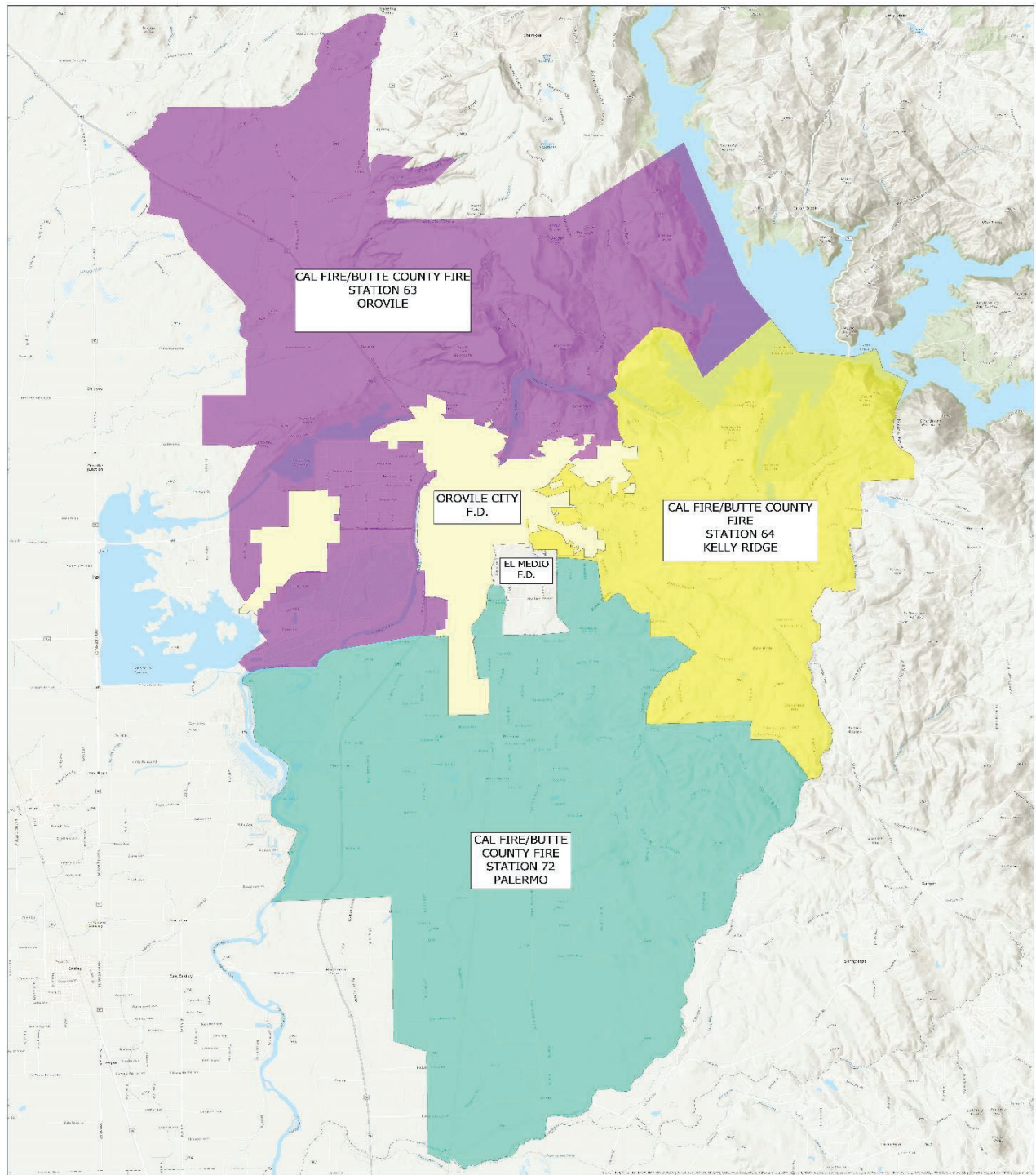
Personnel Protective Equipment will be evaluated and may need to be upgraded to meet CALFIRE specification. Outside of capital asset improvements, most costs associated with upgrading or improving equipment will be absorbed into the fire departments allocated budget.

Requirements of Section 56314 (A) or (B) of the California Government Code

The fire protection agreement between the City of Oroville and CALFIRE will transfer 100% of the City's fire protection responsibility to CALFIRE and transfer 100% of the City's fire department personnel to CALFIRE. The fire protection contact (LG-1) in ATTACHMENT 2 outlines the number of current City of Oroville personnel that will transition to CALFIRE and the scope of service to be provided.

ATTACHMENT 1

Region Response Coverage of the Oroville Area



GREATER OROVILLE AREA REGIONAL FIRE PROTECTION

ATTACHMENT 2
Draft LG-1 Three Year Agreement
(See Next Page)

COOPERATIVE FIRE PROGRAMS
FIRE PROTECTION REIMBURSEMENT AGREEMENT
 LG-1 REV. 11/2020

AGREEMENT NUMBER

REGISTRATION NUMBER:

1. This Agreement is entered into between the State Agency and the Local Agency named below:

STATE AGENCY'S NAME

California Department of Forestry and Fire Protection – (CAL FIRE)

LOCAL AGENCY'S NAME

City of Oroville

2. The term of this Agreement is: **July 1, 2022** through **June 30, 2025**

3. The maximum amount of this Agreement is: **\$ 12,909,166.00**
 Fifteen million, three hundred fifty four thousand and six hundred ten dollars and no cents.

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work – Includes page 2 (contact page) in count for Exhibit A	4	pages
Exhibit B – Budget Detail and Payment Provisions	2	pages
Exhibit C – General Terms and Conditions	7	pages
Exhibit D – Additional Provisions	11	pages
Exhibit E – Description of Other Services	2	pages

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

LOCAL AGENCY

LOCAL AGENCY'S NAME
 City of Oroville

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING
 Chuck Reynolds, Mayor

ADDRESS
 1735 Montgomery Street, Oroville, CA 95965

STATE OF CALIFORNIA

AGENCY NAME
 California Department of Forestry and Fire Protection

BY (Authorized Signature)

DATE SIGNED(Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING
 Chris Anthony, Assistant Deputy Director, Cooperative Fire Protection, Training & Safety

ADDRESS P.O. Box 944246, Sacramento, CA 94244-2460

California Department of General Services Use Only

EXHIBIT A
COOPERATIVE FIRE PROGRAMS
FIRE PROTECTION REIMBURSEMENT AGREEMENT

The project representatives during the term of this agreement will be:

CAL FIRE Unit Chief:	John Messina	Local Agency:	City of Oroville
Name:	Butte Unit	Name:	Chuck Reynolds
Phone:	(530) 538-7111	Phone:	(530)
Fax:	(530) 538-7401	Fax:	

All required correspondence shall be sent through U.S. Postal Service by certified mail and directed to:

CAL FIRE Unit Chief:	John Messina	Local Agency:	City of Oroville
Section/Unit:	Support Services	Section/Unit:	City Administrator
Attention:	Lisa Koehler	Attention:	Bill LaGrone
Address:	176 Nelson Avenue	Address:	1735 Montgomery Street
Phone:	(530) 538-7111	Phone:	
Fax:	(530) 538-7401	Fax:	

Send an additional copy of all correspondence to:

CAL FIRE
Cooperative Fire Services
P.O. Box 944246
Sacramento, CA 94244-2460

AUTHORIZATION

As used herein, Director shall mean Director of CAL FIRE. This agreement, its terms and conditions are authorized under the Public Resources Code Sections 4141, 4142, 4143 and 4144, as applicable.

EXHIBIT A **SCOPE OF WORK**

Under Public Resources Code Section 4114 and other provisions of law, STATE maintains fire prevention and fire suppression forces including the necessary equipment, personnel, and facilities required to prevent and extinguish forest fires.

The purpose of this agreement is to provide mutually advantageous fire and emergency services through an effective consolidated organization, wherein the STATE is primarily financially responsible for protecting natural resources from vegetation fires and the LOCAL AGENCY is primarily financially responsible for protecting life and property from fires and other emergencies. The LOCAL AGENCY shall have sole authority to establish the fire protection organization and structure needed to meet the determined level of service. This level of service may be based on the LOCAL AGENCY governing board's established fiscal parameters and assessment of risks and hazards. LOCAL AGENCY personnel providing services under this agreement may include any one or a combination of the following: regular employees, persons temporarily employed and commonly known as volunteers, paid-call firefighters, or others temporarily employed to perform any emergency work or emergency service including, but not limited to fire prevention, fire suppression and emergency medical response.

To comply with the STATE's mandate for full cost recovery of goods and services provided for others, the LOCAL AGENCY shall be responsible for all STATE costs, both direct and indirect, required to execute the terms of this agreement. These costs shall include, but not be limited to: required training and associated post coverage, employee uniform and Personal Protective Equipment (PPE) costs.

1. FIRE PROTECTION SERVICES TO BE PROVIDED BY THE STATE

STATE provides a modern, full service fire protection and emergency incident management agency that provides comprehensive fire protection and other emergency incident response. STATE designs regional fire protection solutions for urban and rural communities by efficiently utilizing all emergency protection resources. Regional solutions provide the most effective method of protecting the citizens of California at local, county and state levels.

Fire protection services to be provided by STATE under this agreement shall include the following: (check boxes below that apply)

- 1) Emergency Fire Protection, Medical and Rescue Response: services include commercial, residential, and wildland fire protection, prevention and investigation; hazardous materials incident response; emergency vehicle extrication; hazardous conditions response (flooding, downed power lines, earthquake, terrorist incident, etc.); emergency medical and rescue response; and public service assistance. Also included are management support services that include fire department administration, training and safety, personnel, finance and logistical support.
- 2) Basic Life Support Services: emergency medical technician (EMT) level emergency medical response providing first aid, basic life support (BLS), airway management, administration of oxygen, bleeding control, and life support system stabilization until patients are transported to the nearest emergency care facility.
- 3) Advanced Life Support Services: paramedic level emergency medical response providing early advanced airway management, intravenous drug therapy, and life support system stabilization until patients are transported to the nearest emergency care facility.
- 4) Dispatch Services: provide fire department 9-1-1 emergency dispatch by CAL FIRE Fire/Emergency Command Center (ECC). CAL FIRE will be responsible for fire/emergency

dispatching emergency resource units covered under this agreement. The CAL FIRE ECC is staffed with a Battalion Chief, three or more Fire Captains and Communications Operators to provide 24/7 year-round coverage. There is always an officer of Captain rank or higher to serve as the shift supervisor and command officer. CAL FIRE uses an integrated Computer Aided Dispatch (CAD) system using the latest technology, to direct the closest available resources to all emergency incidents.

5) Fire Code Inspection, Prevention and Enforcement Services: CAL FIRE has staff Fire Inspectors serving under the direction of the LOCAL AGENCY Fire Marshal to provide services to the area covered by this agreement. Fire Code Enforcement will normally be available five days per week, with emergency or scheduled enforcement inspections available seven days per week. Fire Prevention and Investigation services will be provided by CAL FIRE Prevention Officers trained in arson, commercial, and wildland fire investigation. Officers are available by appointment for site visits and consultations. Officers are trained at CAL FIRE's Peace Officer Standard Training (POST) certified law enforcement training academy and they cooperate effectively with all local, state and federal law enforcement agencies.

6) Land Use/ Pre-Fire Planning Services – CAL FIRE staff will provide community land use planning, administration of Pre-Fire project work, including community outreach, development of community education programs, project quality control, maintenance of project records and submittal of progress reports, completion of required environmental documentation, acquisition of required permits and completion of other associated administrative duties.

7) Disaster planning services (listed in Exhibit E, Description of Other Services, attached hereto and made a part of this agreement)

8) Specific service descriptions and staffing coverage, by station (listed in Exhibit E, Description of Other Services, attached hereto and made a part of this agreement)

9) Extended Fire Protection Service Availability (Amador)

2. ADMINISTRATION

Under the requirements of California Public Resources Code Section 4114 and other provisions of law, STATE maintains fire prevention and firefighting services as outlined in Exhibit D, Schedule B of this agreement.

- A. Director shall select and employ a Region Chief who shall, under the direction of the Director/Chief Deputy Director, manage all aspects of fire prevention and fire protection services and forestry-related programs.
- B. Director will select and employ a Unit Chief who shall, under the supervision and direction of Director/Region Chief or a lawful representative, have charge of the organization described in Exhibit D, Schedules A, B and C included hereto and made a part of this agreement.
- C. LOCAL AGENCY shall appoint the Unit Chief as the LOCAL AGENCY Fire Chief for all Emergency Fire Protection, Medical and Rescue Response Agreements, pursuant to applicable statutory authority. The Unit Chief may delegate this responsibility to qualified staff.
- D. The Unit Chief may dispatch personnel and equipment listed in Exhibit D, Schedules A, B and C from the assigned station or location under guidelines established by LOCAL AGENCY and approved by STATE. Personnel and/or equipment listed in Exhibit D, Schedule B may be dispatched at the sole discretion of STATE.

- E. The Unit Chief shall exercise professional judgment consistent with STATE policy and his or her employment by STATE in authorizing or making any assignments to emergencies and other responses, including assignments made in response to requests for mutual aid.
- F. Except as may be otherwise provided for in this agreement, STATE shall not incur any obligation on the part of LOCAL AGENCY to pay for any labor, materials, supplies or services beyond the total set forth in the respective Exhibit D, Schedules A and C, as to the services to be rendered pursuant to each Schedule.
- G. Nothing herein shall alter or amend or be construed to alter or amend any Collective Bargaining Agreement or Memorandum of Understanding between the State of California and its employees under the State Employer-Employee Relations Act.

3. SUPPRESSION COST RECOVERY

As provided in Health and Safety Code (H&SC) Section 13009, STATE may bring an action for collection of suppression costs of any fire caused by negligence, violation of law, or failure to correct noticed fire safety violations. When using LOCAL AGENCY equipment and personnel under the terms of this agreement, STATE may, at the request of LOCAL AGENCY, bring such an action for collection of costs incurred by LOCAL AGENCY. In such a case LOCAL AGENCY appoints and designates STATE as its agent in said collection proceedings. In the event of recovery, STATE shall deduct fees and litigation costs in a proportional percentage amount based on verifiable and justifiable suppression costs for the fire at issue. These recovery costs are for services provided which are beyond the scope of those covered by the local government administrative fee.

In all such instances, STATE shall give timely notice of the possible application of H&SC Section 13009 to the representative designated by LOCAL AGENCY.

4. MUTUAL AID

When rendering mutual aid or assistance as authorized in H&SC Sections 13050 and 13054, STATE may, at the request of LOCAL AGENCY, demand payment of charges and seek reimbursement of LOCAL AGENCY costs for personnel, equipment and operating expenses as funded herein, under authority given by H&SC Sections 13051 and 13054. STATE, in seeking said reimbursement pursuant to such request of LOCAL AGENCY, shall represent LOCAL AGENCY by following the procedures set forth in H&SC Section 13052. Any recovery of LOCAL AGENCY costs, less expenses, shall be paid or credited to LOCAL AGENCY, as directed by LOCAL AGENCY.

In all such instances, STATE shall give timely notice of the possible application of H&SC Sections 13051 and 13054 to the officer designated by LOCAL AGENCY.

5. PROPERTY PURCHASE AND ACCOUNTING

LOCAL AGENCY shall be responsible for all costs associated with property required by personnel to carry out this agreement. Employee uniform costs will be assessed to the LOCAL AGENCY through the agreement billing process. Personal Protective Equipment (PPE) costs shall be the responsibility of the LOCAL AGENCY. By mutual agreement, PPE meeting the minimum specifications established by the STATE may be purchased directly by the LOCAL AGENCY. Alternately, the STATE will supply all PPE and the LOCAL AGENCY will be billed for costs incurred.

All property provided by LOCAL AGENCY and by STATE for the purpose of providing fire protection services shall be marked and accounted for by the Unit Chief in such a manner as to conform to the regulations, if any, established by the parties for the segregation, care, and use of the respective properties.

EXHIBIT B
BUDGET DETAIL AND PAYMENT PROVISIONS

1. PAYMENT FOR SERVICES

- A. LOCAL AGENCY shall pay STATE actual cost for fire protection services pursuant to this agreement an amount not to exceed that set forth in Exhibit D, Schedule A for each fiscal year. STATE shall prepare an Exhibit D, Schedule A each year, which shall be the basis for payment for the entire fiscal year for which services are provided.
- B. Any other funds designated by LOCAL AGENCY to be expended under the supervision of or for use by a Unit Chief for fire protection services shall be set forth in Exhibit D, Schedule C. This clause shall not limit the right of LOCAL AGENCY to make additional expenditures, whether under Exhibit D, Schedule C or otherwise.
- C. STATE shall invoice LOCAL AGENCY for the cost of fire protection services on a quarterly basis as follows:
- 1) For actual services rendered by STATE during the period of July 1 through September 30, by an invoice filed with LOCAL AGENCY on or after December 10.
 - 2) For actual services rendered by STATE during the period October 1 through December 31, by an invoice filed with LOCAL AGENCY on or after December 31.
 - 3) For actual services rendered by STATE during the period January 1 through March 31, by an invoice filed with LOCAL AGENCY on or after March 31.
 - 4) For the estimated cost of services during the period April 1 through June 30, by an invoice filed in advance with LOCAL AGENCY on or after March 1.
 - 5) A final statement shall be filed with LOCAL AGENCY by October 1 following the close of the fiscal year, reconciling the payments made by LOCAL AGENCY with the cost of the actual services rendered by STATE and including any other costs as provided herein, giving credit for all payments made by LOCAL AGENCY and claiming the balance due to STATE, if any, or refunding to LOCAL AGENCY the amount of any overpayment.
 - 6) All payments by LOCAL AGENCY shall be made within thirty (30) days of receipt of invoice from STATE, or within thirty (30) days after the filing dates specified above, whichever is later.
 - 7) The STATE reserves the right to adjust the frequency of billing and payment to a monthly cycle with a thirty (30) day written notice to the LOCAL AGENCY when:
 - a. The Director predicts a cash flow shortage, or
 - b. When determined by the Region Chief, after consulting with the Unit Chief and the LOCAL AGENCY Contract Administrator, that the LOCAL AGENCY may not have the financial ability to support the contract at the contract level.
- D. Invoices shall include actual or estimated costs as provided herein of salaries and employee benefits for those personnel employed, charges for operating expenses and equipment and the administrative charge in accordance with Exhibit D, Schedule A. When "contractual rates" are indicated, the rate shall be based on an average salary plus all benefits. "Contractual rates" means an all-inclusive rate established in Exhibit D, Schedule A for total costs to STATE, per specified position, for 24-hour fire protection services during the period covered.

- E. STATE shall credit the LOCAL AGENCY, or cover behind at no cost, for the costs of Non-post (e.g. Fire Marshal, Training Officer, etc.) positions and equipment assigned to STATE responsibility fires or other STATE funded emergency incidents. The STATE shall notify the LOCAL AGENCY when this occurs.

2. COST OF OPERATING AND MAINTAINING EQUIPMENT AND PROPERTY

The cost of maintaining, operating, and replacing any and all property and equipment, real or personal, furnished by the parties hereto for fire protection purposes, shall be borne by the party owning or furnishing such property or equipment unless otherwise provided for herein or by separate written agreement.

3. BUDGET CONTINGENCY CLAUSE

- A. If the LOCAL AGENCY's governing authority does not appropriate sufficient funds for the current year or any subsequent years covered under this Agreement, which results in an inability to pay the STATE for the services specified in this Agreement, the LOCAL AGENCY shall promptly notify the STATE and this Agreement will terminate pursuant to the notice periods required herein.
- B. If funding for any fiscal year is reduced or deleted by the LOCAL AGENCY for purposes of this program, the LOCAL AGENCY shall promptly notify the STATE, and the STATE shall have the option to either cancel this Agreement with no liability occurring to the STATE, or offer an agreement amendment to LOCAL AGENCY to reflect the reduced amount, pursuant to the notice terms herein.
- C. If the STATE Budget Act does not appropriate sufficient funds to provide the services for the current year or any subsequent years covered under this Agreement, which results in an inability to provide the services specified in this Agreement to the LOCAL AGENCY, the STATE shall promptly notify the LOCAL AGENCY, and this Agreement will terminate pursuant to the notice periods required herein.
- D. If funding for any fiscal year is reduced or deleted by the STATE Budget Act for purposes of this program, the STATE shall promptly notify the LOCAL AGENCY, and the LOCAL AGENCY shall have the option to either cancel this Agreement with no liability occurring to the LOCAL AGENCY, or offer an agreement amendment to LOCAL AGENCY to reflect the reduced services, pursuant to the notice terms herein.
- E. Notwithstanding the foregoing provisions in paragraphs A and B above, the LOCAL AGENCY shall remain responsible for payment for all services actually rendered by the STATE under this Agreement regardless of LOCAL AGENCY funding being reduced, deleted or not otherwise appropriated for this program. The LOCAL AGENCY shall promptly notify the STATE in writing of any budgetary changes that would impact this Agreement.
- F. LOCAL AGENCY and STATE agree that this Budget Contingency Clause shall not relieve or excuse either party from its obligation(s) to provide timely notice as may be required elsewhere in this Agreement.

EXHIBIT C
GENERAL TERMS AND CONDITIONS

1. **APPROVAL**: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. STATE will not commence performance until such approval has been obtained.
2. **AMENDMENT**: This agreement may be amended by mutual consent of LOCAL AGENCY and STATE. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

If during the term of this agreement LOCAL AGENCY shall desire a reduction in STATE civil service employees assigned to the organization provided for in Exhibit D, Schedule A, LOCAL AGENCY shall provide 120 days written notice of the requested reduction. Notification shall include the following: (1) The total amount of reduction; (2) The firm effective date of the reduction; and (3) The number of employees, by classification, affected by a reduction. If such notice is not provided, LOCAL AGENCY shall reimburse STATE for relocation costs incurred by STATE as a result of the reduction. Personnel reductions resulting solely from an increase in STATE employee salaries or STATE expenses occurring after signing this agreement and set forth in Exhibit D, Schedule A to this agreement shall not be subject to relocation expense reimbursement by LOCAL AGENCY.

If during the term of this agreement costs to LOCAL AGENCY set forth in any Exhibit D, Schedule A to this agreement increase and LOCAL AGENCY, in its sole discretion, determines it cannot meet such increase without reducing services provided by STATE, LOCAL AGENCY shall within one hundred twenty (120) days of receipt of such Schedule notify STATE and designate which adjustments shall be made to bring costs to the necessary level. If such designation is not received by STATE within the period specified, STATE shall reduce services in its sole discretion to permit continued operation within available funds.

3. **ASSIGNMENT**: This Agreement is not assignable by the LOCAL AGENCY either in whole or in part, without the consent of the STATE in the form of a formal written amendment.
4. **EXTENSION OF AGREEMENT**:
 - A. One year prior to the date of expiration of this agreement, LOCAL AGENCY shall give STATE written notice of whether LOCAL AGENCY will extend or enter into a new agreement with STATE for fire protection services and, if so, whether LOCAL AGENCY intends to change the level of fire protection services from that provided by this agreement. If this agreement is executed with less than one year remaining on the term of the agreement, LOCAL AGENCY shall provide this written notice at the time it signs the agreement and the one year notice requirement shall not apply.
 - B. If LOCAL AGENCY fails to provide the notice, as defined above in (A), STATE shall have the option to extend this agreement for a period of up to one year from the original termination date and to continue providing services at the same or reduced level as STATE determines would be appropriate during the extended period of this agreement. Six months prior to the date of expiration of this agreement, or any extension hereof, STATE shall give written notice to LOCAL AGENCY of any extension of this agreement and any change in the level of fire protection services STATE will provide during the extended period of this agreement. Services provided and obligations incurred by STATE during an extended period shall be accepted by LOCAL AGENCY as services and obligations under the terms of this agreement.

- C. The cost of services provided by STATE during the extended period shall be based upon the amounts that would have been charged LOCAL AGENCY during the fiscal year in which the extended period falls had the agreement been extended pursuant hereto. Payment by LOCAL AGENCY for services rendered by STATE during the extended period shall be as provided in Exhibit B, Section 1, B of this agreement.
5. **AUDIT:** STATE, including the Department of General Services and the Bureau of State Audits, and LOCAL AGENCY agree that their designated representative shall have the right to review and to copy any records and supporting documentation of the other party hereto, pertaining to the performance of this agreement. STATE and LOCAL AGENCY agree to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated, and to allow the auditor(s) of the other party access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. STATE and LOCAL AGENCY agree to a similar right to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
6. **INDEMNIFICATION:** Each party, to the extent permitted by law, agrees to indemnify, defend and save harmless the other party, its officers, agents and employees from (1) any and all claims for economic losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm, or corporation furnishing or supplying work services, materials or supplies to that party and (2) from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by that party, in the performance of any activities of that party under this agreement, except where such injury or damage arose from the sole negligence or willful misconduct attributable to the other party or from acts not within the scope of duties to be performed pursuant to this agreement; and (3) each party shall be responsible for any and all claims that may arise from the behavior and/or performance of its respective employees during and in the course of their employment to this cooperative agreement.
7. **DISPUTES:** LOCAL AGENCY shall select and appoint a "Contract Administrator" who shall, under the supervision and direction of LOCAL AGENCY, be available for contract resolution or policy intervention with the STATE's Region Chief when, upon determination by the designated STATE representative, the Unit Chief acting as LOCAL AGENCY's Fire Chief under this agreement faces a situation in which a decision to serve the interest of LOCAL AGENCY has the potential to conflict with STATE interest or policy. Any dispute concerning a question of fact arising under the terms of this agreement which is not disposed of within a reasonable period of time by the LOCAL AGENCY and STATE employees normally responsible for the administration of this agreement shall be brought to the attention of the CAL FIRE Director or designee and the Chief Executive Officer (or designated representative) of the LOCAL AGENCY for joint resolution. For purposes of this provision, a "reasonable period of time" shall be ten (10) calendar days or less. STATE and LOCAL AGENCY agree to continue with the responsibilities under this Agreement during any dispute.
8. **TERMINATION FOR CAUSE/CANCELLATION:**
- A. If LOCAL AGENCY fails to remit payments in accordance with any part of this agreement, STATE may terminate this agreement and all related services upon 60 days written notice to LOCAL AGENCY. Termination of this agreement does not relieve LOCAL AGENCY from providing STATE full compensation in accordance with terms of this agreement for services actually rendered by STATE pursuant to this agreement.

- B. This agreement may be cancelled at the option of either STATE or LOCAL AGENCY at any time during its term, with or without cause, on giving one year's written notice to the other party. Either LOCAL AGENCY or STATE electing to cancel this agreement shall give one year's written notice to the other party prior to cancellation.
9. **INDEPENDENT CONTRACTOR**: Unless otherwise provided in this agreement LOCAL AGENCY and the agents and employees of LOCAL AGENCY, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the STATE.
10. **NON-DISCRIMINATION CLAUSE**: During the performance of this agreement, LOCAL AGENCY shall be an equal opportunity employer and shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS) mental disability, medical condition (e.g.cancer), age (over 40), marital status, denial of family care leave, veteran status, sexual orientation, and sexual identity. LOCAL AGENCY shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. LOCAL AGENCY shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. LOCAL AGENCY shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
- In addition, LOCAL AGENCY acknowledges that it has obligations relating to ethics, Equal Employment Opportunity (EEO), the Fire Fighter's Bill of Rights Act (FFBOR), and the Peace Officer's Bill of Rights Act (POBOR). LOCAL AGENCY shall ensure that its employees comply with all the legal obligations relating to these areas. LOCAL AGENCY shall ensure that its employees are provided appropriate training.
11. **TIMELINESS**: Time is of the essence in the performance of this agreement.
12. **COMPENSATION**: The consideration to be paid STATE, as provided herein, shall be in compensation for all of STATE's expenses incurred in the performance hereof, including travel, per Diem, and taxes, unless otherwise expressly so provided.
13. **GOVERNING LAW**: This agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
14. **CHILD SUPPORT COMPLIANCE ACT**: "For any Agreement in excess of \$100,000, the LOCAL AGENCY acknowledges in accordance with Public Contract Code 7110, that:
- A. The LOCAL AGENCY recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
- B. The LOCAL AGENCY, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department."

15. **UNENFORCEABLE PROVISION**: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

16. **COMPLIANCE WITH THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

The STATE and LOCAL AGENCY have a responsibility to comply with the provisions of the 1996 Federal Health Insurance Portability and Accountability Act (HIPAA) and the 2001 State Health Insurance Portability and Accountability Implementation Act. HIPAA provisions become applicable once the association and relationships of the health care providers are determined by the LOCAL AGENCY. It is the LOCAL AGENCY'S responsibility to determine their status as a "covered entity" and the relationships of personnel as "health care providers", "health care clearinghouse", "hybrid entities", business associates", or "trading partners". STATE personnel assigned to fill the LOCAL AGENCY'S positions within this Agreement, and their supervisors, may fall under the requirements of HIPAA based on the LOCAL AGENCY'S status. It is the LOCAL AGENCY'S responsibility to identify, notify, train, and provide all necessary policy and procedures to the STATE personnel that fall under HIPAA requirements so that they can comply with the required security and privacy standards of the act.

17. **LIABILITY INSURANCE**

The STATE and LOCAL AGENCY shall each provide proof of insurance in a form acceptable to the other party at no cost one to the other, to cover all services provided and use of local government facilities covered by this agreement. If LOCAL AGENCY is insured and/or self-insured in whole or in part for any losses, LOCAL AGENCY shall provide a completed Certification of Self Insurance (Exhibit D, Schedule E) or certificate of insurance, executed by a duly authorized officer of LOCAL AGENCY. Upon request of LOCAL AGENCY the STATE shall provide a letter from DGS, Office Risk and Insurance Management executed by a duly authorized officer of STATE. If commercially insured in whole or in part, a certificate of such coverage executed by the insurer or its authorized representative shall be provided.

Said commercial insurance or self-insurance coverage of the LOCAL AGENCY shall include the following:

- A. Fire protection and emergency services - Any commercial insurance shall provide at least general liability for \$5,000,000 combined single limit per occurrence.
- B. Dispatch services – Any commercial insurance shall provide at least general liability for \$1,000,000 combined single limit per occurrence.
- C. The CAL FIRE, State of California, its officers, agents, employees, and servants are included as additional insured's for purposes of this contract.
- D. The STATE shall receive thirty (30) days prior written notice of any cancellation or change to the policy at the addresses listed on page 2 of this agreement.

18. **WORKERS COMPENSATION**: (only applies where local government employees/volunteers are supervised by CAL FIRE, as listed in Exhibit D Schedule C. STATE contract employees' workers compensation is included as part of the contract personnel benefit rate).

- A. Workers' Compensation and related benefits for those persons, whose use or employment is contemplated herein, shall be provided in the manner prescribed by California Labor Codes, State Interagency Agreements and other related laws, rules, insurance policies, collective bargaining agreements, and memorandums of understanding.

- B. The STATE Unit Chief administering the organization provided for in this agreement shall not use, dispatch or direct any non STATE employees, on any work which is deemed to be the responsibility of LOCAL AGENCY, unless and until LOCAL AGENCY provides for Workers' Compensation benefits at no cost to STATE. In the event STATE is held liable, in whole or in part, for the payment of any Worker's Compensation claim or award arising from the injury or death of any such worker, LOCAL AGENCY agrees to compensate STATE for the full amount of such liability.
- C. The STATE /LOCAL AGENCY shall receive proof of Worker's Compensation coverage and shall be notified of any cancellation and change of coverage at the addresses listed in Section 1.

19. **CONFLICT OF INTEREST**: LOCAL AGENCY needs to be aware of the following provisions regarding current or former state employees. If LOCAL AGENCY has any questions on the status of any person rendering services or involved with the Agreement, the STATE must be contacted immediately for clarification.

Current State Employees (Public Contract Code §10410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Public Contract Code §10411):

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If LOCAL AGENCY violates any provisions of above paragraphs, such action by LOCAL AGENCY shall render this Agreement void. (Public Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Public Contract Code §10430 (e))

20. **LABOR CODE/WORKERS' COMPENSATION**: LOCAL AGENCY needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and LOCAL AGENCY affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

21. **AMERICANS WITH DISABILITIES ACT**: LOCAL AGENCY assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis

of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

22. **LOCAL AGENCY NAME CHANGE**: An amendment is required to change the LOCAL AGENCY'S name as listed on this Agreement. Upon receipt of legal documentation of the name change the STATE will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
23. **RESOLUTION**: A county, city, district, or other local public body must provide the STATE with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.
24. **AIR OR WATER POLLUTION VIOLATION**: Under the State laws, the LOCAL AGENCY shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
25. **AFFIRMATIVE ACTION**. STATE certifies its compliance with applicable federal and State hiring requirements for persons with disabilities, and is deemed by LOCAL AGENCY to be in compliance with the provisions of LOCAL AGENCY'S Affirmative Action Program for Vendors.
26. **DRUG AND ALCOHOL-FREE WORKPLACE**. As a material condition of this Agreement, STATE agrees that it and its employees, while performing service for LOCAL AGENCY, on LOCAL AGENCY property, or while using LOCAL AGENCY equipment, shall comply with STATE's Employee Rules of Conduct as they relate to the possession, use, or consumption of drugs and alcohol.
27. **ZERO TOLERANCE FOR FRAUDULENT CONDUCT IN LOCAL AGENCY SERVICES**. STATE shall comply with any applicable "Zero Tolerance for Fraudulent Conduct in LOCAL AGENCY Services." There shall be "Zero Tolerance" for fraud committed by contractors in the administration of LOCAL AGENCY programs and the provision of LOCAL AGENCY services. Upon proven instances of fraud committed by the STATE in connection with performance under the Agreement, the Agreement may be terminated consistent with the termination for cause/cancellation term, Exhibit C, section 8, subsection B, of Cooperative Fire Programs Fire Protection Reimbursement Agreement, LG-1, between the California Department of Forestry and Fire Protection (CAL FIRE) and the LOCAL AGENCY.
28. **CONFIDENTIAL INFORMATION**. "Confidential information" means information designated by CAL FIRE and/or the LOCAL AGENCY disclosure of which is restricted, prohibited or privileged by State and federal law. Confidential Information includes, but is not limited to, information exempt from disclosure under the California Public Records Act (Government Code Sections 6250 et seq.) Confidential Information includes but is not limited to all records as defined in Government Code section 6252 as well as verbal communication of Confidential Information. Any exchange of Confidential Information between parties shall not constitute a "waiver" of any exemption pursuant to Government Code section 6254.5

CAL FIRE and LOCAL AGENCY personnel allowed access to information designated as Confidential Information shall be limited to those persons with a demonstrable business need for such access. CAL FIRE and LOCAL AGENCY agree to provide a list of authorized personnel in writing as required by Government Code section 6254.5(e). CAL FIRE and the LOCAL

Contractor Name: City of Oroville

Contract No.:

Page No.: 14

AGENCY agree to take all necessary measures to protect Confidential Information and shall impose all the requirements of this Agreement on all of their respective officers, employees and agents with regards to access to the Confidential Information. A Party to this Contract who experiences a security breach involving Confidential Information covered by this Contract, agrees to promptly notify the other Party of such breach

29. **ENTIRE AGREEMENT**: This agreement contains the whole agreement between the Parties. It cancels and supersedes any previous agreement for the same or similar services.

EXHIBIT D
ADDITIONAL PROVISIONS

EXCISE TAX: State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. STATE will pay any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this agreement. The STATE may pay any applicable sales and use tax imposed by another state.

Schedules

The following Schedules are included as part of this agreement (check boxes if they apply):

- A. Fiscal Display, PRC 4142 AND/OR PRC 4144** - STATE provided LOCAL AGENCY funded fire protection services. STATE-owned vehicles shall be operated and maintained in accordance with policies of STATE at rates listed in Exhibit D, Schedule A.
- B. STATE Funded Resource** - A listing of personnel, crews and major facilities of the STATE overlapping or adjacent to the local agency area that may form a reciprocal part of this agreement.
- C. LOCAL AGENCY Provided Local Funded Resources** - A listing of services, personnel, equipment and expenses, which are paid directly by the local agency, but which are under the supervision of the Unit Chief.
- D. LOCAL AGENCY Owned STATE Maintained Vehicles** - Vehicle information pertaining to maintenance responsibilities and procedures for local agency-owned vehicles that may be a part of the agreement.

LOCAL AGENCY-owned firefighting vehicles shall meet and be maintained to meet minimum safety standards set forth in Title 49, Code of Federal Regulations; and Titles 8 and 13, California Code of Regulations.

LOCAL AGENCY-owned vehicles that are furnished to the STATE shall be maintained and operated in accordance to LOCAL AGENCY policies. In the event LOCAL AGENCY does not have such policies, LOCAL AGENCY-owned vehicles shall be maintained and operated in accordance with STATE policies. The cost of said vehicle maintenance and operation shall be at actual cost or at rates listed in Exhibit D, Schedule D.

Exhibit D, Schedule D is incorporated into this section if LOCAL AGENCY-owned vehicles listed in Exhibit D, Schedule D are to be operated, maintained, and repaired by STATE.

LOCAL AGENCY assumes full responsibility for all liabilities associated therewith in accordance with California Vehicle Code Sections 17000, 17001 et seq. STATE employees operating LOCAL AGENCY-owned vehicles shall be deemed employees of LOCAL AGENCY, as defined in Vehicle Code Section 17000. Except where LOCAL AGENCY would have no duty to indemnify STATE under Exhibit C, Section 6 for all LOCAL AGENCY-owned vehicles operated or used by employees of STATE under this agreement.

LOCAL AGENCY employees, who are under the supervision of the Unit Chief and operating STATE-owned motor vehicles, as a part of the duties and in connection with fire protection and other emergency services, shall be deemed employees of STATE, as defined in Vehicle Code Section 17000 for acts or omissions in the use of such vehicles. Except where STATE would have no duty to indemnify LOCAL AGENCY under Exhibit C, Section 6.

- E. Certification of Insurance** - Provider Insurance Certification and/or proof of self-insurance.

Contractor Name: City of Oroville

Contract No:

Page No.: 17

EXHIBIT D, SCHEDULE A
LOCAL FUNDED – STATE RESOURCES
FISCAL DISPLAY
PRC 4142

NAME OF LOCAL AGENCY: City of Oroville

CONTRACT NUMBER:

Index: 2101

PCA: 27160

Fiscal Year: 2022/23 to 2024/25

This is Schedule A of Cooperative Agreement originally dated July 1, 2022, by and between CAL FIRE of the State of California and LOCAL AGENCY.

(See Attached)

Unit:

Agreement Total \$12,909,166

Contract Name:
City of Oroville
Contract No.: 2CA
Page No.:

Fiscal Year 21/22	
PS Total	\$4,074,135
OE Total	\$102,373
TOTAL	\$4,176,507

Fiscal Year 22/23 (+3%)	
PS Total	\$4,196,359
OE Total	\$105,444
TOTAL	\$4,301,802

Fiscal Year 23/24 (+3%)	
PS Total	\$4,322,249
OE Total	\$108,607
TOTAL	\$4,430,857

Exhibit D, Schedule C

Local Funded Local Resources
Assigned to the Cal Fire Unit

City of Oroville:

This is Schedule C of the Cooperative Agreement originally dated July 1, 2022, by and between CAL FIRE of the State of California and LOCAL AGENCY.

FISCAL YEAR: 2022/23 TO 2024/25

The City of Oroville will provide funding for all operating costs and equipment for Station 1. The operating budget will be for \$202,000.

EXHIBIT D, SCHEDULE D (page two)
LOCAL AGENCY OWNED
STATE MAINTAINED VEHICLES

- (2) For all passenger and service vehicles for which a "Mileage Rate" is shown, STATE shall:
- a. Provide fuel, oil, lubrication, batteries and tires and tubes.
 - b. Make such reasonable repairs to said vehicles as may be necessary to keep the vehicles in operating condition provided, however, that the STATE may cease to make further repairs on any vehicles when the potential repair costs are not reasonable considering the vehicle age, market value and other pertinent factors.
- Upon such determination, the STATE shall immediately so notify the LOCAL AGENCY and the LOCAL AGENCY shall have the option of replacing said vehicle or STATE shall discontinue the particular service.
- (3) For all vehicles listed under the heading "Flat Rate" or "Mileage Rate", LOCAL AGENCY shall assume accident repairs in excess of \$2,000 per occurrence.
- (4) For all vehicles listed under the heading "Actual Cost", the STATE shall operate, maintain, and repair said vehicles at the STATE'S actual cost.
- (5) LOCAL AGENCY-owned vehicles to be maintained pursuant to this section are listed below by category and are described by year model, "Rate Letter" type, and license number.

<u>Category</u>	<u>Year Model</u>	<u>Type</u>	<u>License Number</u>
		Ladder Truck	
		Crash Rescue	
		Fire Engine	
		Fire Engine	
		Fire Engine	

Contractor Name: City of Oroville

Contract No:

Page No.: 24

EXHIBIT D, SCHEDULE E

This is Schedule E of Cooperative Agreement originally dated July 1, 2022, by and between the CAL FIRE of the State of California and LOCAL AGENCY

NAME OF LOCAL AGENCY:City of Oroville

The CAL FIRE, State of California and its officers, agents, employees, and servants are included as additional insured for the purposes of this contract. The State shall receive thirty (30) days prior written notice of any cancellation or change to the policy at the addresses listed in LG1, Page 2.

FISCAL YEAR: 2022/23 to 2024/25

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY FOR
TORT LIABILITY**

This is to certify that LOCAL AGENCY has elected to be self-insured under the self-insurance provision provided in Exhibit C, Section 17.

By: _____
Signature _____ Printed Name _____
Risk Manager

Title _____ Date _____

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY
FOR
WORKER'S COMPENSATION BENEFITS**

This is to certify that LOCAL AGENCY has elected to be self-insured for Workers' Compensation benefits which comply with Labor Code Section 3700 as provided in Exhibit C, Section 18.

By: _____
Signature _____ Printed Name _____
Risk Manager

Title _____ Date _____

**SELF-INSURANCE CERTIFICATION BY LOCAL AGENCY
FOR
LOCAL AGENCY-OWNED VEHICLES**

This is to certify that LOCAL AGENCY has elected to be self-insured for local agency-owned vehicles under the self-insurance provision provided in Exhibit D, Schedule D.

By: _____
Signature _____ Printed Name _____
Risk Manager

Title _____ Date _____

EXHIBIT E **DESCRIPTION OF OTHER SERVICES**

This agreement provides for:

One Assistant Chief and two Battalion Chief's funded by the City (72 hour, three-day coverage each). This provides for 24/7 operational battalion coverage that is shared across jurisdictional boundaries. The response goal for any covering Battalion Chief is 20-30 minutes assuming no other incident activity. The City will maintain office space for the Division Chief and Battalion Chiefs and temporary use of space for a covering Battalion Chief.

Through the contract, the City will fund the staffing of one fire station. The staffing will consist of two fire engines with three people each, a Fire Captain, Engineer and Firefighter II. The City will also provide relief positions commensurate with the City's annual budget. The on duty personnel shall cross-staff specialty equipment, ladder truck, aircraft crash rescue, etc., as needed.

CAL FIRE will provide the City a quarterly billing outlining the personnel and benefit costs for each quarter.

Additional operational & management considerations as follows:

Executive leadership related to the cooperative agreement is provided by the CAL FIRE Butte Unit Chief. The City funded Assistant Chief will provide the day-to-day leadership and management of the City of Oroville contract. CAL FIRE will also provide a 24/7/365 Unit Duty Chief as the primary point of contact for immediate needs in the absence of the City Division Chief. The Unit Duty Chief is rotated amongst the CAL FIRE Division Chiefs within the Unit; this individual may be reached at (530) 538-6068. CAL FIRE will notify the City if there is a change to the Unit Duty Chief phone number.

Fire dispatching is provided by the CAL FIRE/Butte County Fire Department Emergency Command Center (ECC) located in Oroville. The City will fund two dispatchers (Communications Operator) each year of the agreement. The emergency response plan for the City will mirror that of CAL FIRE/Butte County and will be maintained by ECC personnel.

CAL FIRE will support the City's funded volunteer program should they chose to initiate one, which includes recruiting, training, and dispatching volunteer firefighters consistent with the standard response plan for the City and applicate codes and statutes. The City funded volunteers will be employees of the City for the purposes of worker's compensation and other employee related requirements and compensation.

The Oroville City Fire Department is a member of the county-wide response to hazardous material and rescue incidents throughout Butte County. As a part of the Butte County Fire Chiefs Joint Powers Agreement for hazardous material response (Hazmat JPA) and the Butte County Rescue

Group (BIRG) for rescue response, the City will continue to support and fund the training and response of 4-6 employees under the Hazmat JPA and 4 employees under the BIRG agreement.

CAL FIRE will assist the City with fire prevention and investigation services including public education and information, life safety inspections and preliminary fire investigations. CAL FIRE personnel will also support evacuation and other related emergency planning and fuel reduction efforts of the City and the independent Butte County Fire Safe Council. Typically, this service will be provided by engine personnel, the City Battalion Chief and/or the Division Chief.

Fire Marshall duties are assigned within the City Development Services Department. Plan review, life safety, fire code, and development issues that involve the fire department will be carefully coordinated between the fire department and the Fire Marshal.

For the City of Oroville fire vehicles traveling to state incidents, training or other state required meetings, CAL FIRE will supply a Voyager gas card.



COMPREHENSIVE FISCAL ANALYSIS

Independent fiscal analysis of the proposed cooperative fire service agreement between the City of Oroville, CA, and CAL FIRE. The purpose of the report is to estimate and compare the cost of service between similar agencies and forecast the expected impact to Oroville. This report is a required diligence item as part of the application to LAFCO and is intended to aide in the local decision-making process.

City of Oroville,
California



June 3, 2021

This Independent Comprehensive Fiscal Analysis (“analysis”) was prepared for VirtualGovCFO management purposes only and is intended to guide conversations with the City of Oroville, California as its officials navigate the decision of whether to enter a cooperative fire protection agreement with CAL FIRE. This analysis evaluates the budgetary cost impact that can be anticipated from the proposed agreement and is one of the required due diligence items that are required by the Butte Local Agency Formation Commission.

Per the Butte Local Agency Formation memo dated March 18, 2021, the initiation process includes a variety of required steps and due diligence items the City of Oroville must complete prior to applying for collaborative fire protection. Specifically, an application cannot be submitted to LAFCO unless the City of Oroville’s City Council completes a plan for service and an independent comprehensive fiscal analysis. Per the memo, the independent fiscal analysis must review and document all the following:

1. A thorough review of the plan for services submitted by the public agency.
2. Analysis of how the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services; and
3. Any other information and analysis needed to support the proposal.

Our analysis was completed using budgetary, census, and departmental statistics that were publicly available on the individual units’ websites or data portals. We completed a thorough review of the plan for service and supporting documents the week of May 17th and communicated with city officials on clarifying questions at that time. A list of the comparative agencies was selected with the assistance of city officials on May 27th. Assumptions were used in the estimation of certain direct and indirect costs and are noted within the contents of the report. It is our goal to be conservative in forward looking estimates while also illustrating what the comprehensive fiscal impact may likely be from the proposed cooperative fire service plan.

I can be reached at Adam@StoneMunicipal.com or at (317) 499-7782 for questions or additional information as needed.

Sincerely,

Adam D. Stone

Contents

Plans and Document Review.....3

Significant Assumptions.....3

Analysis of Existing Service Provider Cost.....6

Comparison of Existing Service Provided to Similar Entities.....8

Expected Costs of Cooperative Fire Agreement.....10

Expected Costs of Current Service Level.....11

Expected Costs of Increased Service Level (Growth Plan).....12

Additional Information & Analysis.....13

Plans and Document Review

This report was prepared using estimates, calculations, and management plans that were made available during May 2021. Specifically, we completed a detailed review of the Oroville Fire Department Growth Plan, LAFCO process memorandum, CAL FIRE RFP submission dated November 2020, and internal staff reports, and exhibits dated March 2, 2021.

In addition to the plans for service and management reports, we reviewed the City of Oroville's line-item budgets for current and historic periods. We also reviewed the most recent CalPERS Annual Valuation Report's for Oroville City safety. (i.e. Safety & PEPRSA Safety)

Comparative entity data was sourced through publicly available data on comparable entities which included annual adopted budgets, annual reports, and Census data. For the Town of Paradise comparison, we reviewed management presentations, meeting agendas, minutes, and CAL FIRE executed agreements that were made available by the Town of Paradise.

Significant Assumptions

For the comparison entities, major assumptions include Fire run, staffing level, and budget estimates. This report includes data that was publicly available on the entities websites and that was available through review of current Census estimates.

For the comparison of current service level, implementation of the recommended growth plan, and CAL FIRE cooperative agreement we made several significant assumptions.

Scenario 1 - Continuation of Current Service Level

In this scenario we assumed no transition to CAL FIRE and no implementation of management growth plan. This scenario forecasts operating and capital expenditures for the budget periods 2022/23 – 2026/27.

- Budget estimates based on 2021-22 Fire Department and District Tax Fund budget of \$3,936,500.
- Assumes no growth in existing staffing or funded staffing levels.
- Assumes three percent (3%) annual increase in salary and wages. (e.g., cost of living increase)
- Assumes five percent (5%) annual increase in services and supplies due to rising prices.
- Assumes an initial \$65,000 capital outlay expenditures. (e.g., equipment replacement, Station improvements)
- Assumes five percent (5%) annual increase in capital expenditures due to rising prices.

Scenario 2 – Enhanced Service Level – Implementation of Recommended Growth Plan

In this scenario we assumed no transition to CAL FIRE and that the city would implement all three phases of the growth plan. This scenario forecasts operating and capital expenditures for the budget periods 2022-23 through 2026-27.

- Budget estimates based on 2021-22 Fire Department and District Tax Fund budget of \$3,936,500.
- Phase I (2022-23):
 - Assumes six (6) new full-time firefighters added.
 - Assumes eighteen (18) new reserve firefighters added.
 - Assumes purchase of two (2) new Type I Fire Engines placed into service at an estimated cost of \$690,000 per engine.
 - Assumes purchase of one (1) new Type VI Fire Apparatus placed into service at an estimated cost of \$300,000.
 - Assumes construction of one (1) new fire station located at the airport at an estimated cost of \$9,500,000. (i.e., Airport Station #2)
 - Assumes station funded through City bond issuance. (i.e., 20 year @ 2.5 % interest)
 - Assumes equipment funded through City capital lease proceeds. (i.e., 7 year @ 3.5% interest)
 - Assumes \$75,000 in additional annual operating expenses to support new staff, station, and equipment.
- Phase II (2023-24):
 - Assumes six (6) new full-time firefighters added in 2023-24.
 - Assumes construction of one (1) new eastside fire station at an estimated cost of \$9,500,000. (i.e., Eastside Station #2)
 - Assumes \$75,000 in additional annual operating expenses to support new staff, station, and equipment.
- Phase III (2024-25):
 - Assumes six (6) new full-time firefighters added.
 - Assumes six (6) new reserve firefighters added.
 - Assumes purchase of one (1) new Type I Ladder Truck placed into service at an estimated cost of \$950,000.
- Future Year Cost Projections:
 - Assumes three percent (3%) annual increase in salary and wages. (e.g., cost of living increase)
 - Assumes five percent (5%) annual increase in services and supplies due to rising prices.

Scenario 3 – Cooperative Fire Service Agreement with CAL FIRE

In this scenario we assumed a complete staffing transition to CAL FIRE and that the city would implement none of the increased staffing, station construction, or apparatus purchases outlined within scenario 2. This scenario forecasts operating and capital expenditures for the budget periods 2022-23 through 2026-27.

- Budget estimates based on 2021-22 Fire Department and District Tax Fund budget of \$3,936,500.
- Assumes El Medio district not included.
- Assumes initial annual contract amount of \$4,049,492. (i.e., 100% of existing personnel)
- Assumes annual contract amount increases by three percent (3%) per year. (e.g., cost of living increase)
- Assumes all salaries, employee benefits, and future accruals of unfunded CalPERS liability transitions to CAL FIRE.
- Assumes existing CalPERS unfunded liability remains with the City of Oroville.
- Assumes 46% of total CalPERS unfunded liability and amortization payments allocated to Fire Department.
- Assumes normal operating and capital expenditures remaining responsibility of the City of Oroville.
- Assumes twenty-year (20) retiree medical transition cost of \$10,000 per year per four (4) eligible employees.
- Assumes CAL FIRE agency cost, comprised of Pro Rata and CAL FIRE indirect charges billed on actual cost incurred. Total amount for year one not-to-exceed \$4,049,492.
- Assumes personnel costs at the top step for each class of employee. Actual cost may be lower but using maximum to be conservative.
- Assumes initial one-time payout of \$572,745 in accrual payout to transferring employees.
- Assumes five percent (5%) annual increase in services and supplies due to rising prices.

Analysis of Existing Service Provider Cost

General Fund:

We reviewed actual and budgeted results for 2018, 2019, 2020, 2021 YTD, and 2022. Below is an extract from Exhibit 1 which shows current and historic results for the General Fund Fire Department.

Object	2019-20 Budget	2019-20 Actual	2020-21 Budget	2020-21 Actual YTD	2021-22 Budget
Salaries & Wages	\$ 1,491,460	\$ 1,312,725	\$ 1,606,200	\$ 1,303,781	\$ 1,511,000
Temporary Wages	-	-	-	-	-
Overtime	250,000	343,198	250,000	455,684	250,000
Other Earnings	62,221	60,529	69,308	60,763	61,925
Pers ER	88,340	94,466	194,375	156,141	169,949
PERS Unfunded Liability	413,579	889,816	265,989	695,312	594,225
Deferred Comp ER	3,588	951	3,244	2,371	-
Pers Bond	152,879	162,408	148,420	136,052	132,055
Pers Survivor	1,103	-	1,402	-	1,141
Health Insurance	253,636	221,337	294,648	242,527	287,059
Unemployment Insurance	5,673	5,396	6,300	5,471	6,072
Workers Compensation Ins	211,458	152,965	239,696	159,949	232,952
Fica	-	6	-	287	-
Medicare	26,394	24,397	28,187	26,012	26,671
Allowances	14,235	12,573	15,800	11,526	14,355
Salaries & Benefits Total	\$ 2,974,566	\$ 3,280,767	\$ 3,123,569	\$ 3,255,876	\$ 3,287,404

Object	2019-20 Budget	2019-20 Actual	2020-21 Budget	2020-21 Actual YTD	2021-22 Budget
Advertising	\$ 500	\$ 348	\$ 500	\$ 220	\$ 500
Dues And Memberships	5,500	297	5,500	2,060	5,500
Fuel	15,500	13,714	15,500	191	15,500
Insurance-Liability	3,000	-	3,000	-	3,000
Maint-Buildings & Improv	2,500	1,943	3,000	195	3,000
Maint-Equipment	6,500	4,892	11,000	300	11,000
Maint-Vehicle Parts	-	-	-	237	-
Maint-Vehicles	65,000	78,579	-	132	-
Office Expense	3,200	3,748	3,500	3,207	3,500
Office Exp-Computer	-	56	-	-	-
Canine Expense	-	-	12,000	18,260	20,000
Other Supplies	10,000	21,567	22,500	19,759	30,000
Outside Services	14,000	22,012	6,440	3,033	6,500
Outside Svc / Govt Agency	3,500	3,300	-	8,380	10,000
Software Expense	500	-	-	9,506	10,000
Equipment < 25K	-	8,360	8,500	1,699	8,500
Special Department Exp	8,500	4,120	-	-	-
Special Dept Exp-Fire Prv	150	-	8,500	7,675	8,500
Telecommunications	8,300	8,171	15,000	9,604	15,000
Training	10,000	2,707	-	104	-
Training-Post	-	-	6,500	1,980	6,500
Travel	6,500	1,083	-	-	-
Utilities	3,850	14,866	3,500	109	3,500
Weed Abatement	35,000	39,800	80,000	40,410	80,000
Bank Charges	-	-	-	-	-
Services & Supplies Total	\$ 202,000	\$ 229,563	\$ 204,940	\$ 127,061	\$ 240,500
Budget Unit Total	\$ 3,176,566	\$ 3,510,330	\$ 3,328,509	\$ 3,382,937	\$ 3,527,904

Source: City Budget Documents - Fire Department – General Fund

District Tax Fund – Fire 1%

In addition to the Fire Department General Fund expenditures, the City maintains a separate District Tax Fund that incurs Fire Department related expenditures. We reviewed actual and budgeted results for 2018, 2019, 2020, 2021 YTD, and 2022 for this fund as well. Below is an extract from Exhibit 1 which shows current and historic results for Fire Department expenses paid from this fund.

Object	2019-20 Budget	2019-20 Actual	2020-21 Budget	2020-21 Actual	2021-22 Budget
Salaries & Benefits Total	\$ 300,000	\$ 7,589	\$ 427,439	\$ 248,455	\$ 342,096
Object	2019-20 Budget	2019-20 Actual	2020-21 Budget	2020-21 Actual	2021-22 Budget
Fuel	\$ -	\$ -	\$ -	\$ 13,135	\$ 1,500
Maint-Vehicle Parts	-	-	-	-	65,000
Maint-Vehicles	-	-	65,000	67,921	-
Office Expense	-	-	-	-	-
Other Supplies	-	-	-	-	-
Vehicles	-	-	-	-	-
Services & Supplies Total	\$ -	\$ -	\$ 65,000	\$ 81,056	\$ 66,500
Vehicles	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Budget Unit Total	\$ 355,000	\$ 7,589	\$ 492,439	\$ 329,511	\$ 408,596

Source: City Budget Documents - Fire Department – District Tax Fund

Departmental Total

	2019-20 Budget	2019-20 Actual	2020-21 Budget	2020-21 Actual	2021-22 Budget
Salaries and Benefits	\$ 3,274,566	\$ 3,288,356	\$ 3,551,008	\$ 3,504,331	\$ 3,629,500
Services & Supplies	202,000	229,563	269,940	208,117	307,000
Capital Outlay	55,000	-	-	-	-
	\$ 3,531,566	\$ 3,517,919	\$ 3,820,948	\$ 3,712,449	\$ 3,936,500

Source: City Budget Documents - Fire Department – District Tax Fund

Comparison of Existing Service Provided to Similar Entities

Selection:

To this report, we selected comparison entities that were similar in population and geographic size. (i.e., land area) Additionally, we looked at entities that provide a similar range and level of service. We selected fire runs, number of stations, and staffing level as indicators for range and level of service. Lastly, we selected comparable entities of differing government structure and fire service. (e.g., City/County & Employee vs. CAL FIRE)

Data Normalization:

As each entity is different the data for each was normalized to produce as close to an “apples-to-apples” comparison as possible. Therefore, the data was normalized on per capita, per firefighter, and per run metrics to help in the comparability. It should be noted that comparing public safety departments on an apples-to-apples basis is extremely challenging as run data can be grossly under or over inflated due to different entities counting runs differently. To the report, we are taking the publicly available run data at face value and make no opinion on the type of runs reported.

Entity Comparison:

Category	City Fire Structure		CAL FIRE Agreement			Fire District Amador Fire District
	Oroville City	Loma Linda City	Butte County	Paradise Town	Red Bluff City	
Population estimates ¹	20,737	24,482	219,186	22,135	14,539	25,839
Land Area (sq. miles) ¹	12.99	7.52	1,636.46	18.33	7.56	491.00
Fire Runs ²	5,009	4,371	15,691	4,491	3,970	2,000
Service Level ²						
Stations	1	2	22	3	1	7
Career FT Firefighters	18	28	289	8	12	30
FFFT per 1,000 residents	0.87	1.14	1.32	0.36	0.83	1.16
Fire Runs per 100 residents	24.15	17.85	7.16	20.29	27.31	7.74
Population per square mile	1,596	3,256	134	1,208	1,923	53

Source:

- 1.) Census Quick facts data portal.
- 2.) Fire department websites, annual reports, and strategic plans.

Notes:

- Paradise fire runs based on 2016 data as provided in 041117 CAL FIRE contract presentation.
- Amador Fire District estimated population based on 65% estimate in the 2017-2022 Strategic Plan.

Source: Entity websites, budget documents, Census Quick facts

Budget Comparison:

Budget Comparison (FY2021 Adopted Budget)

Category	City Fire Structure		CAL FIRE Agreement			Amador Fire District
	Oroville City	Loma Linda City	Butte County	Paradise Town	Red Bluff City	
Salaries & Benefits	\$ 3,551,008	\$ 5,951,200	\$ 18,661,698	\$ 409,663	\$ 2,528,630	\$ 3,241,567
Services & Supplies	269,940	1,402,300	98,782	4,222,744	370,128	716,539
Capital Outlay	-	99,900	2,056,145	18,000	-	37,000
Debt Service	-	-	-	70,809	-	-
Other Financing Uses	-	-	444,499	-	-	-
Special Items	-	-	400,192	-	-	-
Total Adopted Budgets	\$ 3,820,948	\$ 7,453,400	\$ 21,661,316	\$ 4,721,216	\$ 2,898,758	\$ 3,995,106
Normalized Expenditures:						
Per capita	\$ 184	\$ 304	\$ 99	\$ 213	\$ 199	\$ 155
Per firefighter	\$ 212,275	\$ 266,193	\$ 74,953	\$ 590,152	\$ 241,563	\$ 133,170
Per run	\$ 763	\$ 1,705	\$ 1,380	\$ 1,051	\$ 730	\$ 1,998

Source: Entity websites, budget documents, Census Quick facts

Expected Costs of Cooperative Fire Agreement

If the City of Oroville enters into a cooperative fire agreement with CAL FIRE, 100% of current employee salary and employee benefit costs will be converted into a contractual service expenditure. The initial contract value is based on the budgeted cost of the positions and it is expected to increase over the contract period as cost-of-living adjustments are approved. To recover indirect administrative costs, CAL FIRE is expected to charge an agency cost which has ranged between 11-12% over the last 11 years. This agency cost is included within the initial proposed cost of \$4,049,492.

In addition to the personnel costs, the City of Oroville will continue to pay all services and supplies costs associated with the department. The existing fire station and apparatus will remain deeded to the city, and it will be the City's responsibility to keep these assets in working order.

	<i>Year 1</i> 2022-23 Forecast	<i>Year 2</i> 2023-24 Forecast	<i>Year 3</i> 2024-25 Forecast	<i>Year 4</i> 2025-26 Forecast	<i>Year 5</i> 2026-27 Forecast
<u>Direct Costs:</u>					
Personnel Cost (100% existing staff) ^{1 2 3}	\$ 3,594,301	\$ 3,702,000	\$ 3,813,000	\$ 3,927,500	\$ 4,045,500
PLUS: Admin Fee - Pro Rata ⁴	\$ 207,532	\$ 217,583	\$ 228,056	\$ 238,971	\$ 250,339
PLUS: Admin Fee - Cal Fire Indirect ⁴	\$ 247,659	\$ 254,920	\$ 262,399	\$ 270,109	\$ 278,050
Operating Expenses before other costs	\$ 4,049,492	\$ 4,174,504	\$ 4,303,455	\$ 4,436,580	\$ 4,573,890
<u>Anticipated Additional Costs:</u>					
<u>One-time:</u>					
PLUS: Accrual Payout ⁵	\$ 572,745	\$ -	\$ -	\$ -	\$ -
<u>Recurring:</u>					
PLUS: Retiree Medical - Transition Cost ⁵	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
CalPERS Amortization Payment ⁶	\$ 653,317	\$ 690,186	\$ 710,777	\$ 729,724	\$ 749,192
Services & Supplies	\$ 322,500	\$ 338,500	\$ 355,500	\$ 373,500	\$ 392,000
Capital Outlay	\$ 65,000	\$ 68,500	\$ 72,000	\$ 75,500	\$ 79,500
Net Operating Expenses Expected	\$ 5,703,053	\$ 5,311,690	\$ 5,481,731	\$ 5,655,304	\$ 5,834,582

Notes:

- 1.) Assumes 3% cost of living increases on salary and benefits. Assumes 5% inflation for services and supplies.
- 2.) Proposed salary estimates at top of step pay for each employment classification. Annual cost is for actual amount paid which is likely to produce additional budgetary savings.
- 3.) Assumes service area without El Medio district.
- 4.) Forecasted using 11-year historical data using a linear regression trend analysis.
- 5.) Management provided estimate.
- 6.) Assumes Fire Department 46% allocation of current amortization costs.

Expected Costs of Current Service Level

If the City of Oroville chooses to not enter into a cooperative fire agreement with CAL FIRE, 100% of current employee salary and employee benefit costs will remain in the City's budget. The current level of service does not include any of the recommendations outlined in the growth plan.

	2021-22 Budget	<i>Year 1</i> 2022-23 Forecast	<i>Year 2</i> 2023-24 Forecast	<i>Year 3</i> 2024-25 Forecast	<i>Year 4</i> 2025-26 Forecast	<i>Year 5</i> 2026-27 Forecast
Salaries and Wages	\$ 1,709,820	\$ 1,761,000	\$ 1,814,000	\$ 1,868,500	\$ 1,924,500	\$ 1,982,000
Other Employee Benefits	1,325,181	1,391,500	1,461,000	1,534,000	1,610,500	1,691,000
PERS Unfunded Liability ¹	594,499	653,317	690,186	710,777	729,724	749,192
Services & Supplies	307,000	322,500	338,500	355,500	373,500	392,000
Capital Outlay	-	65,000	68,500	72,000	75,500	79,500
	\$ 3,936,500	\$ 4,193,317	\$ 4,372,186	\$ 4,540,777	\$ 4,713,724	\$ 4,893,692

Source: 2022 Budget & CalPERS schedules

Expected Costs of Increased Service Level (Growth Plan)

If the City of Oroville chooses to not enter into a cooperative fire agreement with CAL FIRE, 100% of current employee salary and employee benefit costs will remain in the City's budget. The expected cost of the increased level of service includes all the recommended phases outlined in the growth plan and include the assumptions contained within this report.

	2021-22 Budget	<i>Year 1</i> 2022-23 Forecast	<i>Year 2</i> 2023-24 Forecast	<i>Year 3</i> 2024-25 Forecast	<i>Year 4</i> 2025-26 Forecast	<i>Year 5</i> 2026-27 Forecast
Salaries and Wages	\$ 1,709,820	\$ 1,761,000	\$ 1,814,000	\$ 1,868,500	\$ 1,924,500	\$ 1,982,000
Other Employee Benefits	1,325,181	1,391,500	1,461,000	1,534,000	1,610,500	1,691,000
PERS Unfunded Liability ¹	594,499	653,317	690,186	710,777	729,724	749,192
Services & Supplies	307,000	322,500	338,500	355,500	373,500	392,000
Capital Outlay	-	65,000	68,500	72,000	75,500	79,500
	\$ 3,936,500	\$ 4,193,317	\$ 4,372,186	\$ 4,540,777	\$ 4,713,724	\$ 4,893,692
Implementation of Phase 1:						
Salaries and Benefits	\$ -	\$ 738,461	\$ 760,615	\$ 783,433	\$ 806,936	\$ 831,144
Services & Supplies	-	75,000	77,250	79,568	81,955	84,413
Capital Outlay:						
Debt Service (See: Debt Schedule)	-	668,754	668,754	668,754	668,754	668,754
Vehicle Lease (See: Lease Schedule)	-	259,698	259,698	259,698	259,698	259,698
Budget Impact (est.)	\$ -	\$ 1,741,913	\$ 1,766,316	\$ 1,791,452	\$ 1,817,342	\$ 1,844,009
Implementation of Phase 2:						
Salaries and Benefits	\$ -	\$ -	\$ 620,021	\$ 638,622	\$ 657,780	\$ 677,514
Services & Supplies	-	-	75,000	77,250	79,568	81,955
Capital Outlay:						
Debt Service (See: Debt Schedule)	-	-	668,786	668,786	668,786	668,786
Budget Impact (est.)	\$ -	\$ -	\$ 1,363,807	\$ 1,384,657	\$ 1,406,133	\$ 1,428,254
Implementation of Phase 3:						
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 659,501	\$ 679,286	\$ 699,665
Services & Supplies	-	-	-	-	-	-
Capital Outlay:						
Vehicle Lease (See: Lease Schedule)	-	-	-	154,196	154,196	154,196
Budget Impact (est.)	\$ -	\$ -	\$ -	\$ 813,697	\$ 833,482	\$ 853,860
DEPARTMENTAL TOTAL:						
	2021-22 Budget	<i>Year 1</i> 2022-23 Forecast	<i>Year 2</i> 2023-24 Forecast	<i>Year 3</i> 2024-25 Forecast	<i>Year 4</i> 2025-26 Forecast	<i>Year 5</i> 2026-27 Forecast
Salaries and Benefits	\$ 3,629,500	\$ 4,544,278	\$ 5,345,822	\$ 6,194,832	\$ 6,408,727	\$ 6,630,515
Services & Supplies	307,000	397,500	490,750	512,318	535,022	558,368
Capital Outlay	-	993,452	1,665,737	1,823,433	1,826,933	1,830,933
	\$ 3,936,500	\$ 5,935,229	\$ 7,502,309	\$ 8,530,583	\$ 8,770,681	\$ 9,019,816

Notes:

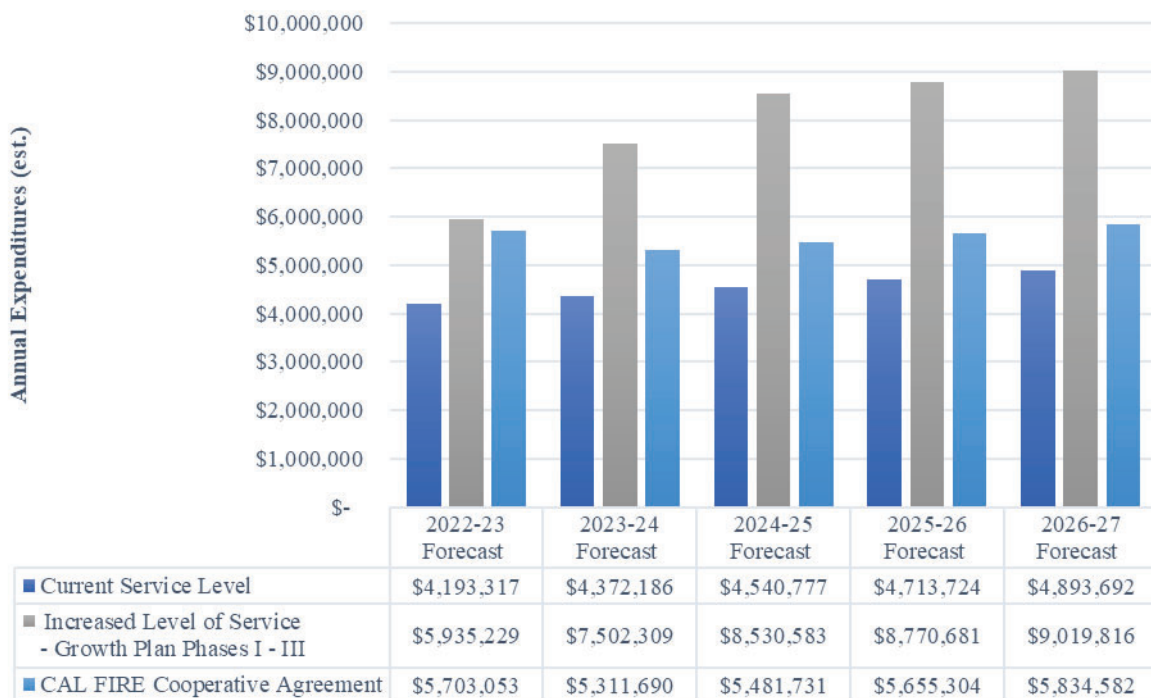
1.) Based on 2019 Safety and PEPRA Safety Plan amortization schedule per June 30, 2019 reports. Assumes 46% allocation to Fire Department.

Additional Information & Analysis

Cost Comparison of Scenarios

In comparing the three scenarios, the current service level provides the lower future expected service. Assuming that level of service is not sustainable, the expected costs of the cooperative fire agreement with CAL FIRE presents the City with the next best financial option. In this scenario there are some initial one-time costs that will be recognized and it is expected that there will be savings realized from the step pay calculation as well. Lastly, the full implementation of the three phases of the growth plan creates the largest future funding requirements over the first five years. Eventually, the bonds and lease payments would roll-off, producing a budget reduction in \$1,751,434. However, the bonds and lease amortization periods extend past our five-year horizon. Ignoring debt and lease payments, this cost structure is forecasted at apx. \$7,268,383 by 2026-27 as compared to \$5,834,582 in the CAL FIRE structure. The primary difference is the staffing level differences between the in-house growth plan and the CAL FIRE proposal. The City growth plan assumes eighteen (18) new full-time and twenty-four (24) new reserve firefighters to match the same level of service by that year. For our report we have assumed that the CAL FIRE cooperative agreement removes the necessity of the additional personnel. If that is the case and the current level of service is unsustainable, then it appears that the CAL FIRE proposal provides the City of Oroville with a more cost effective options over the next five years.

Comparative Cost Projection



Town of Paradise Review

One of the comparable entities that was selected was the Town of Paradise. We reviewed its 2020-21 budget and provided CAL FIRE presentation materials. Within the CAL FIRE presentation dated April 11, 2017, the Town of Paradise listed the following results since entering into a cooperative agreement with CAL FIRE. (i.e., November 1, 2012 – June 30, 2017)

- \$250,000 in paid personnel reductions
 - Elimination of Fire Chief, 2 Battalion Chiefs, 1 Captain, 3 Engineers.
 - Increase in .5 firefighter and 2 communication operators.
- \$11 million in retiree health obligations removed.
- Millions more from reducing unfunded pension liability.

While reviewing the 2020-21 budget, the CAL FIRE contract of \$4,103,806 accounts for apx. 86% of the total Fire Department approved budget. In other words, the Town of Paradise still budgets apx. \$617,410 per year in budget expenses for supplies, services, debt service, and capital expenditures. The Town of Paradise also still employ a part-time Fire Department administrative assistance and full-time Fire Prevention Inspector. Therefore, it should be noted to the City of Oroville decision makers that operating costs and capital improvements will remain their budget responsibility in either scenario.

Trend Analysis of Agency Cost

One of the major assumptions within the CAL FIRE scenario is the future billed rate of agency costs. We performed a linear regression analysis to forecast when the rate is predicted to go over the next few years. After consulting with CAL FIRE representatives, they believe the rate may decrease next year.

FY	Type	CAL		Total
		Pro Rata	Fire Indirect	
2010	Actual	3.63%	7.43%	11.06%
2011	Actual	4.98%	6.98%	11.96%
2012	Actual	4.99%	6.52%	11.51%
2013	Actual	4.92%	6.57%	11.49%
2014	Actual	4.99%	6.98%	11.97%
2015	Actual	5.49%	7.10%	12.59%
2016	Actual	5.65%	7.14%	12.79%
2017	Actual	4.72%	7.29%	12.01%
2018	Actual	5.73%	6.74%	12.47%
2019	Actual	5.22%	6.47%	11.69%
2020	Actual	5.22%	6.47%	11.69%
2021	Actual	5.67%	6.89%	12.56%
2022	Forecast	5.77%	6.89%	12.66%
2023	Forecast	5.88%	6.89%	12.76%
2024	Forecast	5.98%	6.88%	12.86%
2025	Forecast	6.08%	6.88%	12.96%
2026	Forecast	6.19%	6.87%	13.06%
2027	Forecast	6.29%	6.87%	13.16%

CalPERS Actuarial Valuation Amortization Schedules

In order to forecast the Fire Department's allocation of the unfunded PERS liability we reviewed the 2019 actuarial valuation reports for the Safety Plan and the PEPRA Safety Fire Plan. Based on the amount of prior year expense incurred by the Fire Department, we assumed a 46% allocation of the payment owed on the Safety Plan. The highlighted years represent years within our five year planning horizon.

Date	2019 Safety Plan ¹				2019 PEPRA Safety Fire Plan ²		Fire Department Total
	Balance	Payment	Fire Department Allocation ³	Fire Department Allocation ³	Balance	Payment	
6/30/2021	\$ 15,723,599	\$ 1,222,547	46%	\$ 562,372	\$ 22,609	\$ 892	\$ 563,264
6/30/2022	15,559,639	1,337,987	46%	615,474	23,268	1,294	616,768
6/30/2023	15,264,788	1,416,523	46%	651,601	23,558	1,716	653,317
6/30/2024	14,868,062	1,495,714	46%	688,028	23,432	2,158	690,186
6/30/2025	14,361,648	1,540,262	46%	708,521	22,840	2,256	710,777
6/30/2026	13,773,703	1,581,339	46%	727,416	22,105	2,308	729,724
6/30/2027	13,102,112	1,623,551	46%	746,833	21,265	2,359	749,192
6/30/2028	12,339,846	1,666,920	46%	766,783	20,312	2,411	769,194
6/30/2029	11,479,360	1,711,482	46%	787,282	19,240	2,466	789,748
6/30/2030	10,512,545	1,757,269	46%	808,344	18,035	2,521	810,865
6/30/2031	9,430,690	1,804,316	46%	829,985	16,689	2,577	832,562
6/30/2032	8,224,439	1,782,239	46%	819,830	15,192	2,639	822,469
6/30/2033	6,956,586	1,757,621	46%	808,506	13,525	2,698	811,204
6/30/2034	5,625,451	1,705,374	46%	784,472	11,681	2,760	787,232
6/30/2035	4,255,181	1,045,621	46%	480,986	9,643	2,824	483,810
6/30/2036	3,471,446	875,128	46%	402,559	7,397	2,425	404,984
6/30/2037	2,809,208	775,147	46%	356,568	5,406	2,003	358,571
6/30/2038	2,204,036	669,043	46%	307,760	3,712	1,555	309,315
6/30/2039	1,666,255	585,137	46%	269,163	2,364	1,083	270,246
6/30/2040	1,177,625	533,235	46%	245,288	1,409	582	245,870
6/30/2041	708,477	355,342	46%	163,457	905	151	163,608
6/30/2042	390,501	315,089	46%	144,941	812	155	145,096
6/30/2043	91,906	95,068	46%	43,731	709	160	43,891
6/30/2044	-	-			593	164	164
6/30/2045	-	-			465	169	169
6/30/2046	-	-			323	139	139
6/30/2047	-	-			202	107	107
6/30/2048	-	-			105	73	73
6/30/2049	-	-			37	38	38
6/30/2050	-	-			-	-	-
		\$ 27,651,954		\$ 12,719,899		\$ 42,683	\$ 12,762,582

Notes:

- 1.) Per current amortization schedule within the 2019 Safety Plan CalPERS actuarial valuation report dated June 30, 2019.
- 2.) Per current amortization schedule within the 2019 PEPRA Safety Fire Plan CalPERS actuarial valuation report dated June 30, 2019.
- 3.) Allocation estimated by dividing the Fire Department's total PERS Unfunded Liability expense by the total amount incurred by Police and Fire.

Source: CalPERS Public Agency Actuarial Valuation Reports – Online Viewer

Illustrative Debt & Lease Amortization Schedules (Phase I Capital Outlays)

PHASE I IMPLEMENTATION: Example Bond Amortization for Fire Station.

Example Project Funding:

Example General Obligation Bonds (1)	<u>\$ 10,475,000</u>
--------------------------------------	----------------------

Example Project Costs & Bond Uses:

Construct New Airport Station - Station 2	\$ 9,500,000	
Debt Service Reserve Account	\$ 668,754	
Purchasers Fee (1%)	\$ 104,750	
Bond Issuance Cost	\$ 200,000	
Rounding	\$ 1,496	\$ 10,475,000

PROPOSED GENERAL OBLIGATION BONDS OF 2022 - AIRPORT FIRE STATION
ASSUMED CLOSING DATE JANUARY 1, 2022

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL YEAR TOTAL
7/15/2022	\$ 10,475,000	\$203,439	2.50%	\$130,938	\$334,377	
1/15/2023	\$ 10,271,561	\$205,982	2.50%	\$128,395	\$334,377	\$668,754
7/15/2023	\$ 10,065,578	\$208,557	2.50%	\$125,820	\$334,377	
1/15/2024	\$ 9,857,021	\$211,164	2.50%	\$123,213	\$334,377	\$668,754
7/15/2024	\$ 9,645,857	\$213,804	2.50%	\$120,573	\$334,377	
1/15/2025	\$ 9,432,054	\$216,476	2.50%	\$117,901	\$334,377	\$668,754
7/15/2025	\$ 9,215,578	\$219,182	2.50%	\$115,195	\$334,377	
1/15/2026	\$ 8,996,395	\$221,922	2.50%	\$112,455	\$334,377	\$668,754
7/15/2026	\$ 8,774,474	\$224,696	2.50%	\$109,681	\$334,377	
1/15/2027	\$ 8,549,778	\$227,505	2.50%	\$106,872	\$334,377	\$668,754
7/15/2027	\$ 8,322,273	\$230,348	2.50%	\$104,028	\$334,377	
1/15/2028	\$ 8,091,925	\$233,228	2.50%	\$101,149	\$334,377	\$668,754
7/15/2028	\$ 7,858,697	\$236,143	2.50%	\$98,234	\$334,377	
1/15/2029	\$ 7,622,554	\$239,095	2.50%	\$95,282	\$334,377	\$668,754
7/15/2029	\$ 7,383,459	\$242,084	2.50%	\$92,293	\$334,377	
1/15/2030	\$ 7,141,375	\$245,110	2.50%	\$89,267	\$334,377	\$668,754
7/15/2030	\$ 6,896,266	\$248,173	2.50%	\$86,203	\$334,377	
1/15/2031	\$ 6,648,092	\$251,276	2.50%	\$83,101	\$334,377	\$668,754
7/15/2031	\$ 6,396,817	\$254,417	2.50%	\$79,960	\$334,377	
1/15/2032	\$ 6,142,400	\$257,597	2.50%	\$76,780	\$334,377	\$668,754
7/15/2032	\$ 5,884,803	\$260,817	2.50%	\$73,560	\$334,377	
1/15/2033	\$ 5,623,986	\$264,077	2.50%	\$70,300	\$334,377	\$668,754
7/15/2033	\$ 5,359,909	\$267,378	2.50%	\$66,999	\$334,377	
1/15/2034	\$ 5,092,532	\$270,720	2.50%	\$63,657	\$334,377	\$668,754
7/15/2034	\$ 4,821,811	\$274,104	2.50%	\$60,273	\$334,377	
1/15/2035	\$ 4,547,707	\$277,530	2.50%	\$56,846	\$334,377	\$668,754
7/15/2035	\$ 4,270,177	\$281,000	2.50%	\$53,377	\$334,377	
1/15/2036	\$ 3,989,177	\$284,512	2.50%	\$49,865	\$334,377	\$668,754
7/15/2036	\$ 3,704,665	\$288,068	2.50%	\$46,308	\$334,377	
1/15/2037	\$ 3,416,597	\$291,669	2.50%	\$42,707	\$334,377	\$668,754
7/15/2037	\$ 3,124,927	\$295,315	2.50%	\$39,062	\$334,377	
1/15/2038	\$ 2,829,612	\$299,007	2.50%	\$35,370	\$334,377	\$668,754
7/15/2038	\$ 2,530,605	\$302,744	2.50%	\$31,633	\$334,377	
1/15/2039	\$ 2,227,861	\$306,529	2.50%	\$27,848	\$334,377	\$668,754
7/15/2039	\$ 1,921,332	\$310,360	2.50%	\$24,017	\$334,377	
1/15/2040	\$ 1,610,972	\$314,240	2.50%	\$20,137	\$334,377	\$668,754
7/15/2040	\$ 1,296,733	\$318,168	2.50%	\$16,209	\$334,377	
1/15/2041	\$ 978,565	\$322,145	2.50%	\$12,232	\$334,377	\$668,754
7/15/2041	\$ 656,420	\$326,172	2.50%	\$8,205	\$334,377	
1/15/2042	\$ 330,249	\$330,249	2.50%	\$4,128	\$334,377	\$668,754
TOTAL		\$ 10,475,000		\$ 2,900,072	\$ 13,375,072	\$ 13,375,072

PHASE 1 IMPLEMENTATION: Example Capital Lease Schedule for Fire Station Apparatus.

Example Project Funding:

Example Capital Lease (1)	<u>\$ 1,600,000</u>
---------------------------	---------------------

Example Project Costs & Uses of Lease Proceeds:

Purchase (2) Type 1 Fire Engine	\$ 1,300,000	
Purchase (1) Type 6 Fire Apparatus	<u>\$ 300,000</u>	<u>\$ 1,600,000</u>

**PROPOSED CAPITAL LEASE OF 2022 - AIRPORT FIRE STATION APPARATUS
ASSUMED CLOSING DATE JANUARY 1, 2022**

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL YEAR TOTAL
7/15/2022	\$ 1,600,000	\$101,849	3.50%	\$28,000	\$129,849	
1/15/2023	\$ 1,498,151	\$103,631	3.50%	\$26,218	\$129,849	\$259,698
7/15/2023	\$ 1,394,520	\$105,445	3.50%	\$24,404	\$129,849	
1/15/2024	\$ 1,289,075	\$107,290	3.50%	\$22,559	\$129,849	\$259,698
7/15/2024	\$ 1,181,785	\$109,168	3.50%	\$20,681	\$129,849	
1/15/2025	\$ 1,072,617	\$111,078	3.50%	\$18,771	\$129,849	\$259,698
7/15/2025	\$ 961,539	\$113,022	3.50%	\$16,827	\$129,849	
1/15/2026	\$ 848,517	\$115,000	3.50%	\$14,849	\$129,849	\$259,698
7/15/2026	\$ 733,517	\$117,012	3.50%	\$12,837	\$129,849	
1/15/2027	\$ 616,504	\$119,060	3.50%	\$10,789	\$129,849	\$259,698
7/15/2027	\$ 497,444	\$121,144	3.50%	\$8,705	\$129,849	
1/15/2028	\$ 376,300	\$123,264	3.50%	\$6,585	\$129,849	\$259,698
7/15/2028	\$ 253,037	\$125,421	3.50%	\$4,428	\$129,849	
1/15/2029	\$ 127,616	\$127,616	3.50%	\$2,233	\$129,849	\$259,698
TOTAL		\$ 1,600,000		\$ 217,886	\$ 1,817,886	\$ 1,817,886

PHASE 2 IMPLEMENTATION: Example Bond Amortization for Eastside Fire Station.

Example Project Funding:

Example General Obligation Bonds (1)	\$ 10,475,500
--------------------------------------	---------------

Example Project Costs & Bond Uses:

Construct New Airport Station - Station 2	\$ 9,500,000	
Debt Service Reserve Account	\$ 668,786	
Purchasers Fee (1%)	\$ 104,755	
Bond Issuance Cost	\$ 200,000	
Rounding	\$ 1,959	\$ 10,475,500

PROPOSED GENERAL OBLIGATION BONDS OF 2023 - EASTSIDE FIRE STATION
 ASSUMED CLOSING DATE JANUARY 1, 2023

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL YEAR TOTAL
7/15/2023	\$ 10,475,500	\$203,449	2.50%	\$130,944	\$334,393	
1/15/2024	\$ 10,272,051	\$205,992	2.50%	\$128,401	\$334,393	\$668,786
7/15/2024	\$ 10,066,059	\$208,567	2.50%	\$125,826	\$334,393	
1/15/2025	\$ 9,857,492	\$211,174	2.50%	\$123,219	\$334,393	\$668,786
7/15/2025	\$ 9,646,318	\$213,814	2.50%	\$120,579	\$334,393	
1/15/2026	\$ 9,432,504	\$216,486	2.50%	\$117,906	\$334,393	\$668,786
7/15/2026	\$ 9,216,017	\$219,193	2.50%	\$115,200	\$334,393	
1/15/2027	\$ 8,996,825	\$221,932	2.50%	\$112,460	\$334,393	\$668,786
7/15/2027	\$ 8,774,892	\$224,707	2.50%	\$109,686	\$334,393	
1/15/2028	\$ 8,550,186	\$227,515	2.50%	\$106,877	\$334,393	\$668,786
7/15/2028	\$ 8,322,670	\$230,359	2.50%	\$104,033	\$334,393	
1/15/2029	\$ 8,092,311	\$233,239	2.50%	\$101,154	\$334,393	\$668,786
7/15/2029	\$ 7,859,072	\$236,154	2.50%	\$98,238	\$334,393	
1/15/2030	\$ 7,622,918	\$239,106	2.50%	\$95,286	\$334,393	\$668,786
7/15/2030	\$ 7,383,811	\$242,095	2.50%	\$92,298	\$334,393	
1/15/2031	\$ 7,141,716	\$245,121	2.50%	\$89,271	\$334,393	\$668,786
7/15/2031	\$ 6,896,595	\$248,185	2.50%	\$86,207	\$334,393	
1/15/2032	\$ 6,648,410	\$251,288	2.50%	\$83,105	\$334,393	\$668,786
7/15/2032	\$ 6,397,122	\$254,429	2.50%	\$79,964	\$334,393	
1/15/2033	\$ 6,142,693	\$257,609	2.50%	\$76,784	\$334,393	\$668,786
7/15/2033	\$ 5,885,084	\$260,829	2.50%	\$73,564	\$334,393	
1/15/2034	\$ 5,624,255	\$264,090	2.50%	\$70,303	\$334,393	\$668,786
7/15/2034	\$ 5,360,165	\$267,391	2.50%	\$67,002	\$334,393	
1/15/2035	\$ 5,092,775	\$270,733	2.50%	\$63,660	\$334,393	\$668,786
7/15/2035	\$ 4,822,041	\$274,117	2.50%	\$60,276	\$334,393	
1/15/2036	\$ 4,547,924	\$277,544	2.50%	\$56,849	\$334,393	\$668,786
7/15/2036	\$ 4,270,381	\$281,013	2.50%	\$53,380	\$334,393	
1/15/2037	\$ 3,989,368	\$284,526	2.50%	\$49,867	\$334,393	\$668,786
7/15/2037	\$ 3,704,842	\$288,082	2.50%	\$46,311	\$334,393	
1/15/2038	\$ 3,416,760	\$291,683	2.50%	\$42,709	\$334,393	\$668,786
7/15/2038	\$ 3,125,076	\$295,329	2.50%	\$39,063	\$334,393	
1/15/2039	\$ 2,829,747	\$299,021	2.50%	\$35,372	\$334,393	\$668,786
7/15/2039	\$ 2,530,726	\$302,759	2.50%	\$31,634	\$334,393	
1/15/2040	\$ 2,227,967	\$306,543	2.50%	\$27,850	\$334,393	\$668,786
7/15/2040	\$ 1,921,424	\$310,375	2.50%	\$24,018	\$334,393	
1/15/2041	\$ 1,611,049	\$314,255	2.50%	\$20,138	\$334,393	\$668,786
7/15/2041	\$ 1,296,795	\$318,183	2.50%	\$16,210	\$334,393	
1/15/2042	\$ 978,612	\$322,160	2.50%	\$12,233	\$334,393	\$668,786
7/15/2042	\$ 656,452	\$326,187	2.50%	\$8,206	\$334,393	
1/15/2043	\$ 330,264	\$330,264	2.50%	\$4,128	\$334,393	\$668,786
TOTAL		\$ 10,475,500		\$ 2,900,211	\$ 13,375,711	\$ 13,375,711

PHASE 3 IMPLEMENTATION: Example Capital Lease Schedule for Eastside Fire Station Apparatus.

Example Project Funding:

Example Capital Lease (1)	<u>\$ 950,000</u>
---------------------------	-------------------

Example Project Costs & Uses of Lease Proceeds:

Purchase (1) Type 1 Fire Ladder Truck	<u>\$ 950,000</u>	<u>\$ 950,000</u>
---------------------------------------	-------------------	-------------------

PROPOSED CAPITAL LEASE OF 2024 - EASTSIDE FIRE STATION APPARATUS
ASSUMED CLOSING DATE JANUARY 1, 2024

PAYMENT DATE	PRINCIPAL BALANCE	PRINCIPAL	COUPON	INTEREST	PERIOD TOTAL	FISCAL YEAR TOTAL
7/15/2024	\$ 950,000	\$60,473	3.50%	\$16,625	\$77,098	
1/15/2025	\$ 889,527	\$61,531	3.50%	\$15,567	\$77,098	\$154,196
7/15/2025	\$ 827,996	\$62,608	3.50%	\$14,490	\$77,098	
1/15/2026	\$ 765,388	\$63,704	3.50%	\$13,394	\$77,098	\$154,196
7/15/2026	\$ 701,685	\$64,818	3.50%	\$12,279	\$77,098	
1/15/2027	\$ 636,866	\$65,953	3.50%	\$11,145	\$77,098	\$154,196
7/15/2027	\$ 570,914	\$67,107	3.50%	\$9,991	\$77,098	
1/15/2028	\$ 503,807	\$68,281	3.50%	\$8,817	\$77,098	\$154,196
7/15/2028	\$ 435,525	\$69,476	3.50%	\$7,622	\$77,098	
1/15/2029	\$ 366,049	\$70,692	3.50%	\$6,406	\$77,098	\$154,196
7/15/2029	\$ 295,357	\$71,929	3.50%	\$5,169	\$77,098	
1/15/2030	\$ 223,428	\$73,188	3.50%	\$3,910	\$77,098	\$154,196
7/15/2030	\$ 150,240	\$74,469	3.50%	\$2,629	\$77,098	
1/15/2031	\$ 75,772	\$75,772	3.50%	\$1,326	\$77,098	\$154,196
TOTAL		\$ 950,000		\$ 129,370	\$ 1,079,370	\$ 1,079,370





State of California
The Natural Resources Agency
California Department of Forestry and Fire Protection

NOTICE OF EXEMPTION

PROJECT TITLE	City of Oroville Cooperative Fire Protection Agreement		
PROJECT LOCATION	City of Oroville	COUNTY	Butte
LEAD AGENCY	California Department of Forestry and Fire Protection (CAL FIRE)		
CONTACT	David Derby		
ADDRESS	6640 Steiffer Road, Magalia, CA 95954	PHONE	(530)872-6334

PROJECT DESCRIPTION

The project involves an extension of fire protection of services by the California Department of Forestry and Fire Protection to the City of Oroville.

EXEMPTION STATUS

- Categorical Exemption Type and Section: Class 1, Section 15301 and Class 20, Section 15320
- Statutory Exemption (state code section):
- Ministerial (§21080(b)(1); 15268)
- Declared Emergency (§21080(b)(3); 15269(a))
- Emergency Project (§21080(b)(4); 15269(b)(c))

REASONS PROJECT IS EXEMPT

15301 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. 15320 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. This project in its entirety consists of CAL FIRE taking over responsibility for providing fire-protection service to the City of Oroville. The existing facilities and equipment will continue to be used and the level of staffing will not be reduced. There will be no change to the geographical area currently being served by the Oroville Fire Department.

Field review by CAL FIRE staff confirmed that no exceptions apply that would preclude the use of a notice of exemption for this project. The Department has concluded that no significant environmental impact would occur to aesthetics, agriculture and forestland or timberland, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use planning, mineral resources, noise, population and housing, public services, recreation, transportation or traffic, utilities and service systems, or to wildfire. Documentation of the environmental review completed by the Department is kept on file at Magalia Fire Center, 6640 Steiffer Road, Magalia, CA 95954.

DATE RECEIVED FOR FILING

Matthew Reischman

Matthew Reischman, Deputy Director Date
California Department of Forestry and Fire Protection