

**PROPERTY TAX EXCHANGE AND FIRE PROTECTION SERVICES  
AGREEMENT  
FOR McCLELLAN PARK**

This Agreement is entered into this 9 day of November, 2005 by and between the County of Sacramento, a political subdivision of the State of California, and the Sacramento Metropolitan Fire District, a fire district organized and operating pursuant to the Fire Protection District Law of 1987.

**RECITALS**

**WHEREAS**, McClellan Park is the former site of McClellan Air Force Base which was an active military installation until closed on July 13, 2001, pursuant to the Defense Base Closure and Realignment Act of 1990, Pub. L. No. 101-510, as amended; and

**WHEREAS**, the County has been designated as the Local Redevelopment Authority for McClellan Park by the Secretary of Defense and has received an economic development conveyance of property that includes McClellan Park; and

**WHEREAS**, due to McClellan Park's status as a federal enclave under the exclusive jurisdiction of the federal government while an active military installation, most of McClellan Park was never included within the boundaries of any local governmental agency providing fire protection services; and

**WHEREAS**, upon the closure of McClellan Air Force Base, the federal government ceased having responsibility for providing fire protection services within McClellan Park; and

**WHEREAS**, in order to provide interim fire protection services to McClellan Park after the termination of federal government responsibility for such services, the County and the District entered into an Agreement for Airfield and McClellan Park Fire Protection Services ("Interim Agreement"); and

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**WHEREAS**, the term of the Interim Agreement was for a period commencing March 6, 2001, and continuing through September 30, 2004, and

**WHEREAS**, the federal government provided funding for the fire protection component of the Interim Agreement until July 13, 2001; and

**WHEREAS**, the County assumed responsibility for funding fire protection services under the Interim Agreement beginning July 13, 2001; and

**WHEREAS**, the County and District subsequently entered into a second Agreement for McClellan Airport and McClellan Park Fire Protection Services (Second Interim Agreement) that continued the provision of fire protection for McClellan for a period commencing October 1, 2004, and continuing through September 30, 2009; and

**WHEREAS**, the County has conveyed its property interest in a large portion of McClellan Park pursuant to a Purchase and Sales Agreement with McClellan Business Park LLC ("MBP"); and

**WHEREAS**, the County's conveyance to MBP will result in the generation of a substantial amount of property tax revenue from property within McClellan Park; and

**WHEREAS**, McClellan Park has been included within a redevelopment area; and

**WHEREAS**, McClellan Park's inclusion within a redevelopment area reduces the amount of property tax revenue that would otherwise accrue to the District; and

**WHEREAS**, the cost of providing fire protection services to McClellan Park is currently significantly greater than the amount of property tax revenue that the District receives from property within McClellan Park; and

**WHEREAS**, the District is unwilling to annex that portion of McClellan Park that is outside of the District's current boundaries unless it is assured of receiving funding for its net cost of services to McClellan Park until such time as

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the District's McClellan Park Property Tax Revenue equals or exceeds its cost of providing fire protection services to McClellan Park; and

**WHEREAS**, the County is willing to enter into a property tax exchange agreement with the District that will fund the District's net cost of services in return for the District's agreement to seek annexation of that portion of McClellan Park that is outside of the District's current boundaries and to assume sole financial responsibility for providing and funding fire protection services within McClellan Park once the District's McClellan Park Property Tax Revenue equals or exceeds the District's cost of providing fire protection services to McClellan Park; and

**WHEREAS**, the Sacramento County Local Agency Formation Commission (LAFCo) will not act on the District's application to annex McClellan Park until such time as the County and the District reach an agreement on their respective shares of property tax revenue collected from property within that portion of McClellan Park to be annexed by District pursuant to this Agreement; and

**WHEREAS**, Revenue And Taxation Code Section 99.02 authorizes local agencies to agree to an exchange of their property tax revenues that are allocable from tax rates areas shared by the local agencies; and

**WHEREAS**, in consideration of the District's agreement to file an application with LAFCo to initiate annexation of that portion of McClellan Park outside of the District's current boundaries and then to assume responsibility for providing fire protection services to all of McClellan Park, the County is willing to share a portion of its property tax revenue with the District to fund the District's net cost of services to McClellan Park; and

**WHEREAS**, the County and the District intend to share property tax revenue collected and apportioned from property within McClellan Park as provided for herein; and

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WHEREAS, the parties intend for this Agreement to supercede the Second Interim Agreement as it relates to Fire Protection Services, as defined in this Agreement, for McClellan Park.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated by reference.

2. Definitions. For purposes of this Agreement, the following terms shall be defined as set forth below:

- (a) "Actual Cost" shall mean the direct and indirect costs as defined in OMB circulars, including, but not limited to, OMB A-87, supporting staff, equipment, and others services defined in Exhibit E, Fire Protection Services Standard.
- (b) "Annexation" shall mean the Sacramento Local Area Formation Commission (LAFCo) approved annexation of the Area of Annexation into the boundaries of the Sacramento Metropolitan Fire Protection District.
- (c) "Area of Annexation" shall mean that portion of McClellan Park, which is in the unincorporated area of the County and outside current District boundaries to include but not limited to the areas depicted in Exhibit "B" hereto.
- (d) "County" shall mean the County of Sacramento.
- (e) "County Fiscal Year" shall mean a twelve (12) month period beginning July 1<sup>st</sup> ending twelve (12) consecutive months later on June 30<sup>th</sup>.

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- (f) **“Disputable Determination”** shall mean either (i) the District’s determination of its actual cost of providing fire protection services for a particular County Fiscal Year pursuant to Section 8 or (ii) the County Auditor’s determination of the District’s McClellan Park Property Tax Revenue for a particular County Fiscal Year pursuant to Section 10 hereof.
- (g) **“District”** shall mean the Sacramento Metropolitan Fire District.
- (h) **“District’s McClellan Park Property Tax Revenue”** shall mean the amount of property tax revenue apportioned to the District from property within McClellan Park, together with such tax increment pass through revenue received by District from SHRA from property within McClellan Park.
- (i) **“Fire Protection Services”** shall mean those structural fire protection, emergency medical and other services described in Exhibit “A” hereto.
- (j) **“Fire Protection Service Costs”** shall mean those Actual Costs resulting from the District’s use of staff, equipment, and other services as defined and limited to the listing in Exhibit E to provide fire protection services within McClellan Park. Fire Protection Service Costs shall be accounted only for those fixed quantity of staff, equipment, and other support services as listed in Exhibit E.
- (k) **“McClellan Park”** shall mean that property depicted in Exhibit “C” hereto.

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- (l) **"Net Cost of Services"** shall mean the difference in any County Fiscal Year between the District's Actual Cost of fire protection service costs to McClellan Park as established pursuant to Section 8 hereof, minus District's McClellan Park Property Tax Revenue for the same County Fiscal Year as determined by the County Auditor pursuant to Section 10 hereof and the amount of tax increment pass through revenue to District as determined by SHRA.
- (m) **"OMB"** shall mean federal Office of Management and Budget.
- (n) **"Property Tax Revenue"** shall mean (i) secured, unsecured, supplemental, unitary and delinquent (unless provided otherwise pursuant to a Teeter Plan) property tax revenue and (ii) any tax increment pass through revenue received by District from SHRA from properties within McClellan Park.
- (o) **"SHRA"** shall mean the Sacramento Housing and Redevelopment Authority.

**3. Scope of Services.**

- (a) Beginning with the effective date of this Agreement and continuing until such time as this Agreement terminates, the District shall provide fire protection services within McClellan Park consistent with the service plan that is attached hereto and incorporated herein as Exhibit "A".
- (b) For purposes of providing the services described in subsection (a) above, the District shall furnish all things necessary, to include labor, supervision, equipment,

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communications facilities and supplies, except for the equipment and labor to provide Aircraft Rescue Firefighting services as specified in the Second Interim Agreement.

4. Initiation of Annexation Proceedings. Upon approval of this Agreement by County and District, the District shall file a timely application with the Sacramento Local Area Formation Commission (LAFCo) to annex the Area of Annexation. The District shall thereafter diligently pursue LAFCo approval of such annexation application and provide whatever information and other cooperation is requested by LAFCo in the course of processing and acting on such annexation application. If LAFCo fails to approve the District's application to annex McClellan Park, this Agreement shall automatically terminate and be of no further force and effect in which case the Second Interim Agreement shall govern fire protection services at McClellan Park. If LAFCo approves District's annexation request, the Property Tax Exchange described in Section 5 below shall govern the allocation of property tax revenue within McClellan Park as between the County and the District as soon as permitted by state statute after the effective date of the Annexation.

5. Property Tax Exchange

As soon as permitted by state statute after the effective date of the Annexation, the District's share of property tax revenue in those tax rate areas within McClellan Park depicted in the New Tax Rate Table below shall be modified to conform to the percentages set forth in such table. This Agreement shall not serve to modify or otherwise affect the provisions of any Teeter Plan and shall not affect the allocation of property tax revenue in any tax rate area other than those tax rate areas specifically identified in the New Tax Rate Table set forth below.

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New Percentage Share (Pre-Educational Revenue Augmentation Fund (ERAF) Percentage) Tax Rate Table

Tax Rate Area	54-486	79-163	83-008	83-013	83-023	79-003	99-003
County General	25.50586	31.96496	30.66876	30.66876	20.38043	24.36775	31.92638
Sac Metro Fire District	41.47141	22.00000	21.00000	21.00000	15.00000	42.04937	22.00000
Total	66.97727	53.96496	51.66876	51.66876	35.38043	66.41712	53.92638

New Percentage Share (Post-Educational Revenue Augmentation Fund (ERAF) Percentage) Tax Rate Table

Tax Rate Area	54-486	79-163	83-008	83-013	83-023	79-003	99-003
County General	4.81269	3.69811	3.60466	3.60466	1.84816	3.74691	3.67974
Sac Metro Fire District	41.47141	22.00000	21.00000	21.00000	15.00000	42.04937	22.00000
ERAF (G/F)	20.69317	28.26685	27.0641	27.0641	18.53227	20.62084	28.24664
Total	66.97727	53.96496	51.66876	51.66876	35.38043	66.41712	53.92638

**6. Facilities.**

(a) County agrees to provide Station 114 (Building 1074 and Building 636) for use by DISTRICT in providing structural fire protection and emergency services contemplated by this Agreement pursuant to the terms of a mutually agreed upon no-cost lease.

(b) County agrees to make available Station 115 (Building 737) to DISTRICT, during the term of this Agreement, with a six (6) month written notice to COUNTY that DISTRICT requires Station 115 for the purpose of providing fire protection services to McClellan Park properties. DISTRICT acknowledges that Station 115 (Building 737) will be under lease between the COUNTY and McClellan Business Park LLC until such time as DISTRICT provides such notice to the County. If fire protection services commence from Station 115, the same provisions shall apply to the no-cost lease as for Station 114 above.



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(c) Station 114 and Station 115 shall be available for use by DISTRICT as long as each is being utilized by DISTRICT to provide fire protection services, and will revert to the COUNTY at such time that DISTRICT ceases to utilize either facility to provide such services.

7. **Compensation.** As compensation for fire protection services to be provided by the District pursuant to Section 3 above, the County shall pay to the District the District's net cost of services for each County Fiscal Year, pursuant to the Payment Procedure set forth in Section 9 hereof, until such time as the District's McClellan Property Tax Revenue equals or exceeds the District's fire protection service costs in the same County Fiscal Year. Once the District's McClellan Park Property Tax Revenue equals or exceeds the District's fire protection service costs in the same County Fiscal Year, the County's obligation to fund fire protection services within McClellan Park shall terminate and District shall become fully responsible for funding such services. Upon termination of the County's obligation to fund fire protection services as set forth above, the property located within the Area of Annexation shall have the same status as any other property within the boundaries of the District for purposes of receiving fire protection services and the County shall have no further obligation to fund such services by any means, beyond the property tax exchange provided for in Section 5 hereof.

8. **Establishment of Service Costs.**

(a) The compensation to be paid by County to the District for its annual fire protection service costs shall initially be based on the difference between the District's estimated cost for the upcoming County Fiscal Year and an estimate of the District's McClellan Park Property Tax Revenue for the same upcoming County Fiscal Year, and shall then be reconciled no later than December 15th following the close of each County Fiscal Year. The District shall provide its estimated annual cost to the County no later than one hundred twenty (120) days

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prior to July 1<sup>st</sup> of each upcoming County Fiscal Year. The estimate of District's McClellan Park Property Tax Revenue shall be the actual amount of District's McClellan Property Tax Revenue for the previous County Fiscal Year as determined by the County Auditor and as reported by SHRA with respect to tax increment pass through revenue.

(b) Final compensation shall be based on District's actual annual fire protection service costs and the actual annual amount of District's McClellan Park Property Tax Revenue. Within sixty (60) days after the conclusion of County Fiscal Year 2006-2007, and for each County Fiscal Year thereafter for the term of this Agreement, District shall submit a reconciled and auditable report in the general format of Exhibit F, Cost of Services Worksheet, stating the difference between the District's actual cost of providing services for the prior County Fiscal Year and the payments received from County pursuant to Section 9 hereof and the tax increment pass through revenue received by District from SHRA. Any variance, positive or negative, shall be accounted for and included in the next payment made by the County to the District pursuant to the payment procedures in Section 9 hereof.

(c) The District may adjust its estimated annual service cost in subsequent County Fiscal Years to reflect any anticipated increases or decreases in its actual cost of services during such subsequent County Fiscal Years. If the District intends to increase or decrease its estimated annual charge to the County in a subsequent County Fiscal Year, it shall provide the County with written notice of the proposed increase in charges at least one hundred twenty (120) days prior to the beginning of the subsequent County Fiscal Year. The District's failure to provide such notice shall preclude it from raising its charges during the subsequent County Fiscal Year, but shall not preclude the District from recovering its actual cost that fiscal year pursuant to the reconciliation procedures described above. The County shall have thirty (30)

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days from the receipt of such written notice to serve the District with written notice of its objection to the proposed increase. The County's right to object to a proposed increase in the District's charges shall be limited to the grounds that the proposed increase is in excess of the District's actual cost of providing the services prescribed by Section 3 hereof. In the event that such written objection is served by the County, the parties shall resolve the County's objection(s) pursuant to the dispute resolution mechanism set forth in Section 12 hereof.

9. **Payment Procedure.** The District shall be paid by County for its estimated Net Cost of Services for each County Fiscal Year until such time as this obligation terminates pursuant to Section 7 above. The County shall make these payments twice each County Fiscal Year as follows:

- (a) On or before December 31st and June 30th, the County shall pay to the District 50% of the District's estimated net cost of services for that particular County Fiscal Year.
- (b) In addition to said semi-annual payments, the County shall include as part of the December 31st payment any reconciled adjustment, positive or negative, for actual costs incurred by the District in the prior County Fiscal Year and each County Fiscal Year thereafter as specified in Section 8, Establishment of Service Costs, of this Agreement.

10. **County Auditor's Determination.** The County Auditor shall make a determination for each County Fiscal Year during the term of this Agreement as to the amount of the District's McClellan Park Property Tax Revenue for such County Fiscal Year. The County Auditor shall submit its Determination to the District in writing by December 15th following the close of each County Fiscal Year until such time as the District's McClellan Property Tax Revenue equals or exceeds the District's fire protection service costs in the same County Fiscal. The actual amount of District's McClellan Park Property Tax Revenue shall be

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based on the proportional share of the equalized assessed values within McClellan Park to the District's equalized assessed values for the same fiscal year. The proportional share shall be applied to all of the following property tax revenues of the District: (i) Secured Tax Collections and Refunds; (ii) Unsecured Tax Collections and Refunds; (iii) Supplemental Tax Collections and Refunds; (iv) Teeter – Delinquent Tax – Annual purchase / Adjustment; (v) Non-Teeter Redemption Tax Collections; (vi) Unsecured Abstract Delinquent Tax Collections and Refunds; (vii) Homeowner Subvention; and (viii) Unitary Tax Collections and Refunds.

**11. District Reporting**

The District shall submit all written reports, to include estimated annual cost information and/or changes to estimated annual costs to the County Department of Economic Development and Intergovernmental Affairs. All District costs shall be accounted for in accordance with Federal Office of Management and Budget (OMB) rules and regulation as noted in applicable OMB issued circulars. All District reports shall be auditable consistent with OMB rules and regulations.

**12. Dispute Resolution.**

(a) If either party believes that a disputable determination has occurred, it may serve a written Notice of Dispute on the other party requesting to challenge the disputable determination identified in such notice. The Notice of Dispute shall specify the precise nature of the disputable determination and must be submitted within the following time limits: (i) sixty (60) days after July 1<sup>st</sup> of the County's fiscal year in which the District's increased charges established pursuant to Section 8 hereof become effective; or (ii) sixty (60) days after the District's receipt of the County Auditor's report prepared pursuant to Section 10 hereof. If the Notice of Dispute is not served within such time periods, the parties waive any right to challenge the District's charges, the SHRA's determination of

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the amount of the District's McClellan Park annual pass through tax increment or the County Auditor's determination of the District's McClellan Property Tax Revenue for that particular County Fiscal Year.

(b) The parties shall have thirty (30) days after service of the Notice of Dispute as a Negotiation Period in which to attempt to reach mutual agreement on appropriate modifications to the disputable determination. If the parties are unable to reach such a mutual agreement within this Negotiation Period, the County and the District shall within twenty (20) days after the end of the Negotiation Period simultaneously exchange their respective final figure for the disputable determination. If the higher of the two figures is no greater than one hundred and five percent (105%) of the lower figure, then the disputed amount shall automatically be determined by the arithmetic average of the two figures. If the higher of the two figures is greater than one hundred and five percent (105%) of the lower figure, then the County and the District shall appoint a single person to serve as an arbitrator within twenty (20) days. If the County and the District cannot agree on an arbitrator within such time period, then either party hereunder may request that the Presiding Judge of the Sacramento Superior Court appoint such arbitrator. The Arbitrator shall within forty-five (45) days after receiving the final figures exchanged by the parties select one of the two final figures (and no other amount) as the final figure. The Arbitrator shall not average the two final figures or otherwise compromise between the two figures. Prior to making his or her determination, the Arbitrator shall have the ability to obtain such information and conduct such investigations and hold such hearings as the Arbitrator deems appropriate and the parties shall have the right to submit to the Arbitrator such information, evidence and materials to the Arbitrator as they desire. The costs of the Arbitrator shall be borne by the party whose figure is not chosen by the Arbitrator. Each party shall bear its own legal fees and other costs.

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13. Termination of Fire Protection Services of the Second Interim Agreement. Structural fire protection and emergency medical services, as defined and in the Second Interim Agreement, shall automatically terminate as part of the Second Interim Agreement of the effective date of this Agreement at which time this Agreement, as it relates to Fire Protection Services, shall supersede the Second Interim Agreement as it relates to such services.

14. Indemnification.

(a) The District shall indemnify and hold the County and its officers, agents, employees and independent contractors harmless from any claim or liability whatsoever, based or asserted upon any act or omission of the District or its officers, agents, employees subcontractors and independent contractors related to this Agreement, for property damage, bodily injury or death or any other element of damage of any kind or nature, and the District shall defend at its expense, including attorney fees, the County and its officers, agents, employees and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

(b) County shall indemnify and hold the District and its officers, agents, employees and independent contractors harmless from any claim or liability whatsoever, based or asserted upon any act or omission of the County or its officers, agents, employees, subcontractors and independent contractors related to this Agreement, for property damage, bodily injury or death or any other element of damage of any kind or nature, and the County shall indemnify and defend at its expense, including attorney fees, the District and its officers, agents, employees and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature of

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any counterpart may be detached therefrom without impairing the legal effect(s) of the signature thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto.

16. **Time of the Essence.** Time is of the essence in the performance of and compliance with each of the provisions and conditions of this Agreement.

17. **Further Acts.** The parties agree to execute such other instruments and do such further acts as may be reasonably necessary to carry out the provisions of this Agreement.

18. **Inducements to Execute.** The making, execution and delivery by the parties hereto have been induced by no representations, statements, warranties or agreements other than those expressly set forth herein.

19. **Dates.** If any date specified in this Agreement falls on a Saturday, Sunday, or legal holiday, then the date of such action shall be extended to the next business day.

20. **Assignment.** Neither party hereto shall assign, subcontract, or transfer, except to a successor agency, any interest in this Agreement, or any duty hereunder, without the prior written consent of the other party, and no assignment shall be of any force or effect whatsoever unless and until the other party furnishes such written consent.

21. **Amendments.** This Agreement may be modified or amended, or any of its provisions waived, only by a subsequent written agreement executed by each of the parties hereto.

22. **Entire Agreement.** This Agreement and any attachments hereto constitute the sole, final, complete, exclusive and integrated expression and statement of the terms and conditions of this Agreement among the parties hereto concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, oral or written, that may be related

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to the subject matter of this Agreement. There are no third party beneficiaries of this Agreement.

23. **Construction and Interpretation.** It is agreed and acknowledged by the parties hereto that the provisions of this Agreement have been arrived at through negotiation, and that each of the parties has had a full and fair opportunity to revise the provisions of this Agreement and to have such provisions reviewed by legal counsel. Therefore, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

24. **Waiver.** The waiver at any time by any party of any of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or other matter.

25. **Severability.** The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal, provided that such invalidity does not materially affect the respective rights and obligations of the parties.

26. **Successors and Assigns.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto, provided that the required consent has been obtained pursuant to Section 22 above.

27. **Notices.** Any notice, demand, request, consent, or approval that either party hereto may, or is required to, give the other shall be in writing and shall be deemed to have been received five (5) days after being deposited in the United States mail, first class postage prepaid, and addressed as follows:

TO COUNTY:  
Paul J. Hahn, Director  
Economic Development &  
Intergovernmental Affairs  
County of Sacramento

TO DISTRICT:  
Fire Chief  
Sacramento Metropolitan Fire District  
2101 Hurley Way  
Sacramento, CA 95825



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700 H Street, Room 7650  
Sacramento, CA 95814

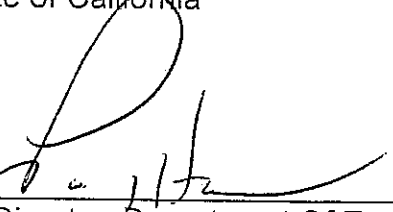
Any party hereto shall have the right to serve any notice by personal delivery, and change the address at which it will receive such communications by giving fifteen (15) days advance written notice to the other parties.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date and year first written above.

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COUNTY OF SACRAMENTO,  
a political subdivision of the  
State of California

By:   
Director, Department Of Economic  
Development & Intergovernmental  
Affairs

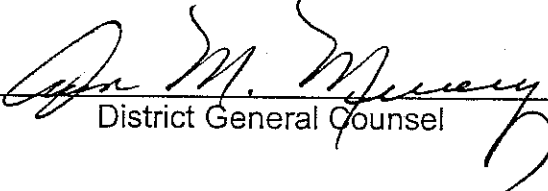
SACRAMENTO METROPOLITAN  
FIRE DISTRICT, an independent  
Special District duly authorized and  
existing under the laws of the State  
of California

By:   
President, Board of Directors

Approved as to form:

  
Assistant County Counsel

Approved as to form:

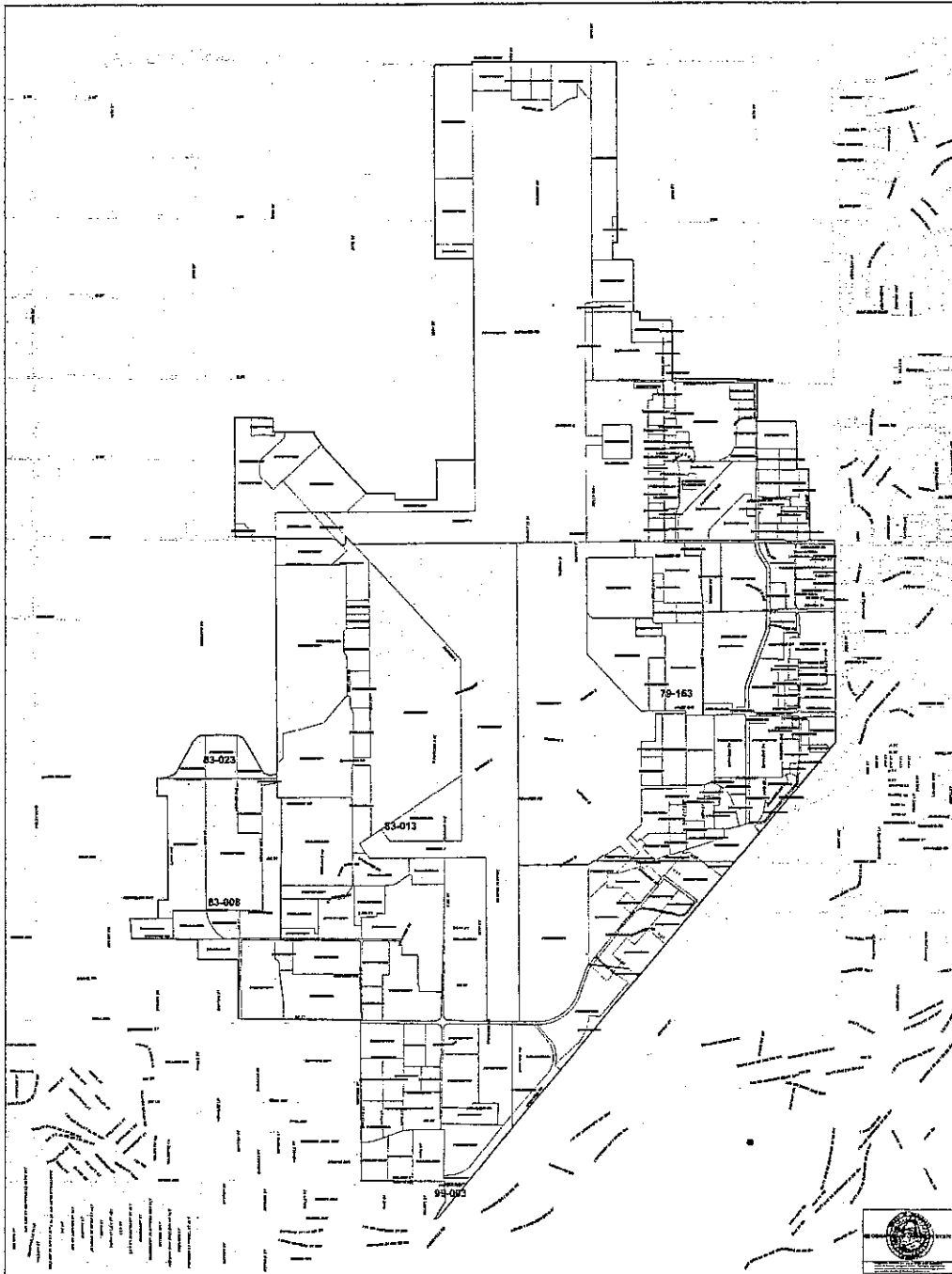
  
District General Counsel

## Exhibit A

### McClellan Park Properties

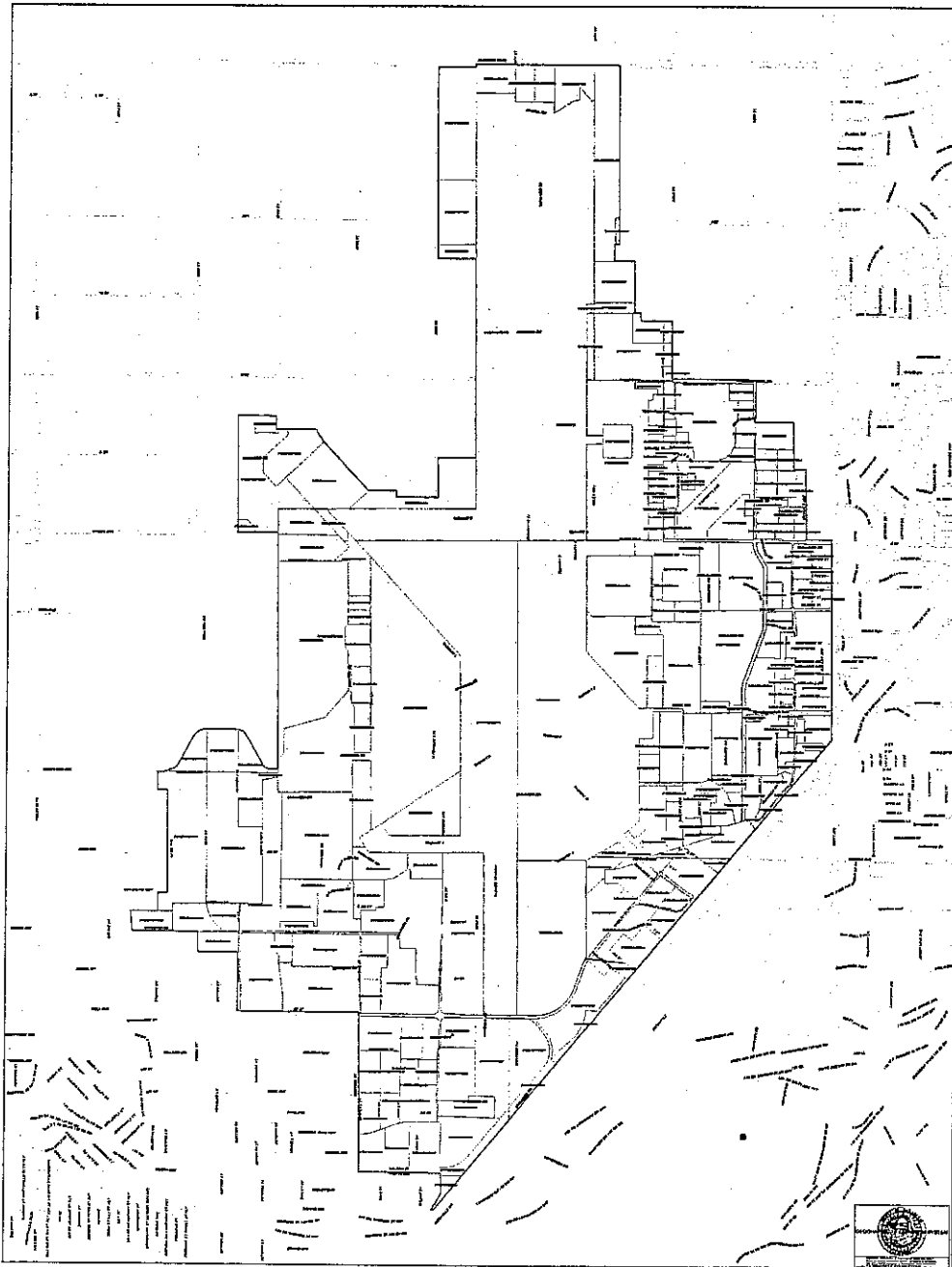
Effective April 1, 2001 at 0800 hours, SMFD agrees to provide on site structural fire protection and emergency medical services to the McClellan Park Properties, a map delineating the boundaries of the real property, comprising McClellan Park Properties, is attached hereto and incorporated herein as Exhibit "B". McClellan Park Properties are to be served by SMFD from Station 114 (Building 1074). This company will be staffed on a twenty four (24) hour per day, seven (7) day per week schedule, and will assume first responder role and provide emergency assistance for all structural, wild land and vehicle fires located on the McClellan Park properties. Other duties of this company will include first responder emergency medical service, on-scene management of hazardous materials (Haz Mat) incidents, and assistance with incidents that may be classified as non-emergency but still require fire department intervention. SMFD will provide command and control functions necessary to mitigate all emergency/non-emergency incidents, and will provide all administrative and support functions necessary to ensure operational readiness. All fire prevention services, including plan review and code enforcement, are included with no exceptions.

**Exhibit B**  
**Area of Annexation**



## Exhibit C

### McClellan Park



## Exhibit D

### Cost of Services

#### Estimated Annual Fire Protection Services Cost (\*)

2006-07: \$1,876,861 million

2007-08: \$1,968,650 million

(\*) Annual costs based on actual cost for standard labor and equipment and other services used as defined in Exhibit E.

## Exhibit E

### Fire Protection Services Standard

#### SMFD STAFFING

A. Three (3) personnel to respond an Engine Company to any emergency medical, structural or wild land fire, or other emergency or non-emergency incident within their response zone. The Engine Company will be staffed as follows: (Unless minimum staffing levels is modified by labor agreements.)

- 1 Captain
- 1 Engineer
- 1 Firefighter

B. SMFD will provide incident command and control from one of its Battalion Supervisor locations.

C. Dispatch services will be provided by the Sacramento Regional Fire/EMS Communications Center (SRFECC) or its successor agency.

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**Exhibit F**

**Cost of Services Worksheet**

Description	Task	Base Year	Year 2
		July 1, 2006- June 30 <sup>th</sup> , 2007	July 1, 2007- June 30 <sup>th</sup> , 2008
<b>Labor Section</b>			
Fire/EMS Staffing	Labor	1,633,639	1,715,321
Fire/EMS	Administrative 12%	196,037	205,839
<b>Total Labor Costs</b>		<b>1,829,676</b>	<b>1,921,160</b>
<b>Other Section Cost</b>			
Structural/EMS	Dispatch Services	17,098	17,098
Structural/EMS	Facilities	23,802	23,802
Structural/EMS	Support Equipment	6285	6590
<b>Total Annual Costs</b>		<b>1,876,861</b>	<b>1,968,650</b>
<b>Revenue</b>			
Property Tax			
Tax Increment/Pass-Through			
Other			
<b>Total Annual Revenue</b>			
<b>Net Cost of Service</b>			



NOV 8 1 2005

on

NOV 8 2 2005

Dated

Clerk of said Board of Supervisors

RESOLUTION NO. 2005-1344

By Luzerne Dawkins  
Deputy

**RESOLUTION APPROVING PROPERTY TAX EXCHANGE AND FIRE PROTECTION SERVICES AGREEMENT FOR McCLELLAN PARK**

**WHEREAS**, McClellan Park is the former site of McClellan Air Force Base which was an active military installation until closed on July 13, 2001, pursuant to the Defense Base Closure and Realignment Act of 1990, Pub. L. No. 101-510, as amended; and

**WHEREAS**, the County of Sacramento ("County") has been designated as the Local Redevelopment Authority for McClellan Park by the Secretary of Defense and has received an economic development conveyance of property that includes McClellan Park; and

**WHEREAS**, due to McClellan Park's status as a federal enclave under the exclusive jurisdiction of the federal government while an active military installation, most of McClellan Park was never included within the boundaries of any local governmental agency providing fire protection services; and

**WHEREAS**, upon the closure of McClellan Air Force Base, the federal government ceased having responsibility for providing fire protection services within McClellan Park; and

**WHEREAS**, in order to provide interim fire protection services to McClellan Park after the termination of federal government responsibility for such services, the County and the Sacramento Metropolitan Fire Protection District ("District") entered into an Agreement for Airfield and McClellan Park Fire Protection Services ("Interim Agreement"); and

**WHEREAS**, the term of the Interim Agreement was for a period commencing March 6, 2001, and continuing through September 30, 2004, and

**WHEREAS**, the federal government provided funding for the fire protection component of the Interim Agreement until July 13, 2001; and

**WHEREAS**, the County assumed responsibility for funding fire protection services under the Interim Agreement beginning July 13, 2001; and

**WHEREAS**, the County and District subsequently entered into a second Agreement for McClellan Airport and McClellan Park Fire Protection Services ("Second Interim Agreement") that continued the provision of fire protection for McClellan for a period commencing October 1, 2004, and continuing through September 30, 2009; and

**Resolution Approving Property Tax Exchange And Fire Protection Services Agreement  
For McClellan Park**

**Page 2**

**WHEREAS**, the cost of providing fire protection services to McClellan Park is currently significantly greater than the amount of property tax revenue that the District receives from property within McClellan Park; and

**WHEREAS**, the District is unwilling to annex that portion of McClellan Park that is outside of the District's current boundaries unless it is assured of receiving funding for its net cost of services to McClellan Park until such time as the District's share of property tax revenue from McClellan Park equals or exceeds its cost of providing fire protection services to McClellan Park; and

**WHEREAS**, the County is willing to enter into a property tax exchange agreement with the District that will fund the District's net cost of services in return for the District's agreement to seek annexation of that portion of McClellan Park that is outside of the District's current boundaries and to assume sole financial responsibility for providing and funding fire protection services within McClellan Park once the District's share of property tax revenue from McClellan Park equals or exceeds the District's cost of providing fire protection services to McClellan Park; and

**WHEREAS**, the Sacramento County Local Agency Formation Commission ("LAFCo") will not act on the District's application to annex McClellan Park until such time as the County and the District reach an agreement on their respective shares of property tax revenue collected from property within that portion of McClellan Park to be annexed by District pursuant to this Agreement; and

**WHEREAS**, Revenue And Taxation Code Section 99.02 authorizes local agencies to agree to an exchange of their property tax revenues that are allocable from tax rates areas shared by the local agencies; and

**WHEREAS**, in consideration of the District's agreement to file an application with LAFCo to initiate annexation of that portion of McClellan Park outside of the District's current boundaries and then to assume responsibility for providing fire protection services to all of McClellan Park, the County is willing to share a portion of its property tax revenue from McClellan Park with the District.

**NOW, THEREFORE, IT HEREBY RESOLVED AND ORDERED** by the Board of Supervisors, County of Sacramento that the Director of Economic Development and Intergovernmental Affairs ("Director") be and is hereby authorized and directed to

Resolution Approving Property Tax Exchange And Fire Protection Services Agreement  
For McClellan Park

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execute the Property Tax Exchange And Fire Protection Services Agreement for McClellan Park, in the form attached, and to do and perform everything necessary to carry out the purpose and intent of this Resolution.

BE IT FURTHER RESOLVED AND ORDERED that the Director is authorized to take such additional action on behalf of the County that may be necessary to complete the annexation of McClellan Park to the District.

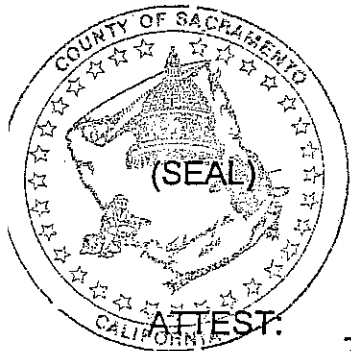
On a motion by Supervisor Dickinson, seconded by Supervisor Nottoli, the foregoing resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 1st day of November, 2005, by the following vote, to-wit:

AYES:	Supervisors	MacGlashan, Nottoli, Peters, Dickinson
NOES:	Supervisors	none
ABSENT:	Supervisors	Collin
ABSTAIN:	Supervisors	none

By: *Regal Dickinson*  
Chair of the Board of Supervisors  
of Sacramento County, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on NOV 01 2005

By: *Gwynne Dawkins*  
Deputy-Clerk, Board of Supervisors



ATTEST: *Garry H. Turner*  
Clerk of the Board of Supervisors

**FILED**

NOV 01 2005

BOARD OF SUPERVISORS  
BY *Garry H. Turner*  
CLERK OF THE BOARD