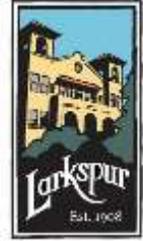


*Diane Furst, Mayor
Carla Condon, Vice
Mayor James Andrews
Sloan Bailey
Robert Ravasio*

*Kevin Haroff, Mayor
Dan Hillmer, Vice
Mayor Larry Chu
Ann Morrison
Catherine Way*



**City of Larkspur
Town of Corte Madera
Shared Fire Services Ad-Hoc Committee
Meeting Larkspur City Hall
400 Magnolia Avenue, Larkspur
Monday, July 24, 2017
6:30 p.m.**

- 1. Welcome and Introductions**
- 2. Open time for public expression**
- 3. Managers Update**
- 4. Fire Chief Update**
- 5. Review and Possible Direction Regarding Draft Joint Powers Authority (JPA) Agreement**
- 6. Other Items**
- 7. Adjourn**

**Joint Powers Agreement Between The City Of
Larkspur And The Town Of Corte Madera**

**Creating The
Central Marin Fire Authority**

January 1, 2018

Joint Powers Agreement

Table of Contents

Recitals	1
Agreement	2
Sec 1. Authority Purpose and Composition.	2
1.1 Purpose.	2
1.2 Creation of New Authority.....	2
1.3 Other Agreement(s) Superseded.	2
1.4 New Entity Name.	2
1.5 New Members.	3
Sec 2. Governance.....	3
2.1 Authority Fire Council.	3
2.2 Alternates.....	3
2.3 Meetings Of The Fire Council.....	3
Sec 3. Powers And Duties Of Authority.	4
3.1 General Powers Of Authority.....	4
3.2 Specific Powers Of Authority.	4
3.3 Duties Of Authority.....	5
3.4 Assumption Of Responsibilities By Authority.....	6
3.5 Delegation Of Powers, Transfer Of Records And Accounts.....	6
Sec 4. Limitations On Powers.....	6
4.1 Reserved Powers.	6
4.2 Members' Restrictions.	7
4.3 Liability And Co-Obligations Of Authority.....	7
4.4 Existing And Future Bond Obligations.	7
4.5 Reorganization.....	7
Sec 5. Personnel.	7
5.1 Management Committee.	7
5.2 Fiscal Officer.....	8
5.3 Fire Chief.....	8
5.4 Legal Advisor.	8
5.5 Other Employees.	9
Sec 6. Fiscal Year, Annual Budget.	9
6.1 Fiscal Year.....	9
6.2 Annual Budget.....	9
6.3 Budget Process.	9
6.4 Control Accounting, Records And Accounts.	9
6.5 Certain Fire Station Costs Excluded.	9
Sec 7. Annual Contributions.	10
7.1 Obligations, Notifications.	10
7.2 Monthly Payments.....	10
Sec 8. Cost Sharing.	10
8.1 Members' Percentage Cost Shares.	10

8.2	Adjustments of Percentage Shares.	10
8.3	New Member Adjustment Of Percentage Shares.	10
8.4	Termination Adjustment Of Percentage Shares.	10
Sec 9.	Fire Stations.	11
9.1	Ownership.	11
9.2	Authority Occupancy Of Fire Stations.	11
9.3	Fire Station Maintenance.	11
9.4	Casualty Damage.	11
Sec 10.	Capital Assets Other Than Fire Stations.	12
10.1	Existing Capital Assets.	12
10.2	Authority Capital Assets.	12
10.3	Existing Equipment Obligations.	12
Sec 11.	Transition Provisions.	13
11.1	Transitioning Personnel Pursuant To Transition Agreement.	13
11.2	Members' Obligations And Limitations For Pre-existing Financial Liabilities.	13
11.3	Beginning Fund Balance.	14
11.4	Existing Workers' Compensation, Liability And Unemployment Insurance Claim Obligations.	14
Sec 12.	Indemnification; Insurance.	14
12.1	Indemnification Of Members.	14
12.2	Insurance Requirements.	14
12.3	Fire Station Insurance.	15
Sec 13.	Fire Or Paramedic Service To Other Jurisdictions.	15
Sec 14.	Term, Termination And Withdrawal.	15
14.1	Term.	15
14.2	Termination.	15
14.3	Effect Of Termination.	15
14.4	Responsibility For Authority's CalPERS Benefit Plan(s) Upon Termination.	15
14.5	Withdrawal.	16
Sec 15.	Dispute Resolution Process.	16
Sec 16.	Entire Agreement.	17
Sec 17.	Successors.	17
Sec 18.	Modification Or Suspension.	17
Sec 19.	Severability.	17
Sec 20.	Governing Law.	17
Sec 21.	Headings.	18
Sec 22.	Consent.	18
Sec 23.	Enforcement By Authority.	18
Sec 24.	Execution In Counterparts.	18

Joint Powers Agreement

This Joint Powers Agreement (the “Agreement”) is entered into and is effective January 1, 2018 (the “Effective Date”) between the City of Larkspur, a municipal corporation (“Larkspur”) and the Town of Corte Madera, a municipal corporation (“Corte Madera”), each a “Member” and collectively referred to as “Members,” to create a consolidated fire authority to be known as the “Central Marin Fire Authority.”

Recitals

A. Larkspur and Corte Madera each have the authority and responsibility under California law to provide fire services to their citizens within their respective jurisdictions.

B. Each Member is a public agency authorized and empowered to contract with the other Member for the joint exercise of powers under the Joint Exercise of Powers Act, Sections 6500, *et seq.* of the California Government Code (the “Act”).

C. Larkspur and Corte Madera previously formed the Twin Cities Police Authority pursuant to a Joint Powers Agreement executed January 30, 1980, under which they successfully provided consolidated police services to both jurisdictions for 32 years. On January 1, 2013, these two Members and the Town of San Anselmo created the Central Marin Police Authority which currently provides consolidated police services to all three of these jurisdictions.

D. Larkspur and Corte Madera are “like” local public entities, being municipalities in contiguous geographical proximity, having similar fire protection needs, fire departments, salaries, benefit and retirement programs and a history of coordination and cooperation between each other.

E. Larkspur and Corte Madera recently entered into an agreement under which they share fire services which has led to even greater cooperation, coordination, cost savings and higher levels of fire service to the public.

F. Consolidation of Larkspur’s and Corte Madera’s fire services into a single public entity will provide even more enhanced fire protection in both communities, a more efficient organizational structure, and significant command and administrative benefits, all resulting in less costly but better-quality fire services.

G. It is the Members’ desire, at the same time, to maintain the small-town character of their consolidated fire services, and at all times have the Authority remain administratively and operationally sensitive and responsive to the individual fire service philosophies, needs, and priorities of each individual Member.

H. The Members further desire to promptly identify fire service needs and differences that may arise from time to time between themselves, and to resolve such differences in a fair, timely, economical, equitable, and cooperative manner. It is the Members’ desire to

insure that their consolidated fire authority is governed and managed by consensus whenever possible, and the governance provisions of this Agreement are designed to achieve such a result.

I. The Members wish to enter into this Agreement: (i) to create an original joint powers agreement commencing January 1, 2018; (ii) to consolidate their fire services in a single separate joint powers entity; (iii) to name this joint powers entity the Central Marin Fire Authority; (iv) to provide for the composition of the governing Fire Council; (v) to provide for the management of the Authority; (vi) to set forth the Members' ownership rights as to the assets, liabilities and reserves of the Authority; and (vii) to enter into certain other terms and conditions as agreed upon between the Members.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members agree as follows:

Agreement

Sec 1. Authority Purpose and Composition.

1.1 Purpose.

This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the Members. The purpose of this Agreement is to create and provide for the operation and management of the Central Marin Fire Authority, which will render consolidated fire services to the communities of Larkspur and Corte Madera.

1.2 Creation of New Authority.

Pursuant to the Act, there is hereby created a new public entity which is a public entity separate from Larkspur and Corte Madera and which shall administer this Agreement.

1.3 Other Agreement(s) Superseded.

This Agreement supersedes any and all other shared fire service agreements as of the Effective Date.

1.4 New Entity Name.

The new joint powers entity created by this Agreement shall henceforth be referred to as the "Central Marin Fire Authority." From and after the Effective Date, the Authority shall use reasonable efforts to utilize and operate under the name "Central Marin Fire Authority" in official communications and transactions, and to discontinue use of the names Larkspur Fire Department and Corte Madera Fire Department.

1.5 New Members.

The Fire Council may set the terms and conditions for admitting new Members (either individually or generally) that it deems appropriate. However, new members may be admitted to the Authority only upon majority vote of each of the Larkspur City Council and the Corte Madera Town Council.

Sec 2. Governance.

2.1 Authority Fire Council.

The Authority shall be governed by a Fire Council (the "Fire Council") which shall formulate and set policy and exercise the powers set forth in this Agreement to accomplish its purpose. The Fire Council shall consist of four (4) voting individuals (each a "Councilmember"), two (2) of whom shall be appointed by and serve at the pleasure of the Larkspur City Council and two (2) of whom shall be appointed by and serve at the pleasure of the Corte Madera Town Council; provided, however, that each shall be an elected or appointed Councilmember of the Member by which he or she is appointed.

2.2 Alternates.

Each Member shall also appoint an alternate to serve in a Councilmember's place at any meeting of the Fire Council. Any such alternate shall be an elected or appointed Councilmember of that Member.

2.3 Meetings Of The Fire Council.

a. **Conducting Meetings.** The Fire Council shall hold regular meetings at least quarterly and may adopt such procedures and resolutions for conducting such meetings and other business as the Fire Council deems appropriate. All meetings of the Fire Council including, without limitation, regular, adjourned regular, and special meetings shall be called, noticed and conducted in accordance with the provisions of the Ralph M. Brown Act, Sections 54950 *et seq.* of the California Government Code.

b. **Quorum.** The presence of a majority of the Fire Council including at least one (1) Councilmember representing each Member shall constitute a quorum for the transaction of Authority business. Less than a quorum may adjourn or continue meetings from time to time.

c. **Fire Council Officers.** The Fire Council shall have a Chairperson to preside at and conduct all meetings and a Vice Chairperson who shall succeed the Chairperson and preside in absence of the Chairperson. The offices of Chairperson and Vice Chairperson shall be filled annually in a manner to be determined by resolution.

d. **Fire Council Secretary, Meeting Minutes.** The Fire Council shall appoint a Secretary/Clerk who shall cause to be kept written minutes of all Fire Council meetings and shall perform such further duties and functions as are assigned by the Fire Council.

e. **Voting, Decision-Making.** Each Councilmember or his or her alternate shall be entitled to one (1) vote. Any decision of the Fire Council shall require a minimum of three (3) votes to be effective, subject to the following:

(i) **Matters Requiring a Unanimous Vote.** Any change in a Member's cost-sharing percentage (as set forth in Section 8 below) made after adoption of the annual budget, or any revision of the adopted budget that results in an increase in an annual Member's contribution, or the making of any single expenditure of Authority funds in excess of three percent (3%) of the adopted operating budget of the Authority, or the closing of any existing fire stations, or the issuance of any bonds, shall require the unanimous vote of the full Fire Council.

(ii) **Multi-Member Majority.** In the spirit of Recital H above, all other actions of the Fire Council, except those specified in Section 2.3e(iii) below, shall require a majority vote of the Fire Council, which majority must include at least one (1) vote by a Councilmember from each Member. However, if a motion fails because the majority does not include at least one (1) vote by a Councilmember from each Member, then any Councilmember may reintroduce that motion at a subsequent Fire Council meeting.

(iii) **Exception To Multi-Member Majority.** The Fire Council by unanimous vote may from time-to-time as needed agree to exceptions to the multiple-member majority vote requirement on such limited and unusual matters as may be required.

f. **Bylaws.** The Fire Council may adopt from time to time any and all bylaws, rules or regulations for the conduct of its meetings and affairs as are necessary for the purposes hereof, provided that all such bylaws, rules, and regulations are consistent with all provisions of this Agreement.

Sec 3. Powers And Duties Of Authority.

3.1 General Powers Of Authority.

The Authority shall exercise in the manner herein provided the powers common to each of the Member Agencies and necessary to the accomplishment of the purposes of this Agreement. As provided in the Act, the Authority shall be a public entity separate from the Members.

3.2 Specific Powers Of Authority.

The powers of the Authority to be exercised by or under direction of the Fire Council shall include:

- a. Setting policies.
- b. Adopting an annual budget.

c. Employing personnel, consultants, advisors, and independent contractors; setting parameters for labor negotiations; and ratifying labor agreements.

d. Entering into contracts, leases, and other agreements, which may include a contract for administrative and fiscal services and a contract with a Certified Public Accountant for annual audit services, and may include mutual aid or automatic response agreements or contracts for service to other jurisdictions.

e. Applying for, receiving, and disbursing grants, loans, or other funds from any private or public agency.

f. Setting fees for service where permitted by law.

g. Receiving, disbursing, and investing funds.

h. Purchasing and holding title to property, subject to the limitations of Section 9.1 hereunder.

i. Issuing revenue bonds pursuant to California Government Code Section 6540, et seq.

j. Obtaining in its own name all necessary permits, licenses, opinions, and rulings.

k. Expending funds of the Authority only for the purpose of carrying out the provisions of this Agreement as they now exist or may hereafter be amended. Such powers shall be exercised in the manner provided in the Act subject only to such restrictions as set forth in this Agreement or other applicable law.

l. Suing and being sued in its own name.

m. Carrying out and enforcing all of the provisions of this Agreement.

n. Other powers and duties incidental to those enumerated herein.

3.3 Duties Of Authority.

The fire services provided by the Authority to the public within the Members' respective jurisdictions, and to those persons, agencies, and/or entities who may contract with the Authority for such services, shall include:

a. Coordination of public safety responses of all fire services and EMS programs in connection with natural disasters, catastrophic incidents, and similar such events.

b. Provision of paramedic services, either directly or by contract.

c. Code enforcement and inspection services for compliance with all State and local laws and statutes, including all applicable local ordinances adopted by Members.

d. Fire station maintenance subject to Section 9 below, and repairs of equipment and vehicles owned and/or utilized by the Authority.

e. Training and equipping special response teams and other such specialty units as are formed and maintained from time to time.

f. Coordination of personnel, equipment, resources, communications and mutual/automatic aid with surrounding jurisdictions.

g. Management and supervision of staff needed to carry out the fire services provided, including a comprehensive personnel training program.

h. Conducting and/or coordinating appropriate vegetation management, emergency preparedness and public education programs.

i. Such other fire services as may be added in the future by resolution of the Fire Council.

3.4 Assumption Of Responsibilities By Authority.

No later than 45 days after the Effective Date, Larkspur and Corte Madera shall appoint two members of the Fire Council, and the Secretary/Clerk shall give notice of the first meeting of the Fire Council. At said meeting, the Fire Council shall provide for its regular meetings and carry out such further business, consistent herewith, as it deems proper.

3.5 Delegation Of Powers, Transfer Of Records And Accounts.

Each of the Members hereby delegates to the Authority consistent with the provisions herein, the power and duty to maintain, operate, manage and control all of the fire protection facilities, equipment, resources, and property of each of the Members within its respective territorial jurisdictions, including without limitation all fire stations, land, buildings, and fire equipment, and to employ the necessary personnel to do any and all other things necessary or desirable to provide continued efficient and economical fire services to the communities. Each Member shall transfer to the Authority all fire records, including personnel, accounts, and property records, which relate to the provision of fire services and which are necessary or desirable in the judgment of the Management Committee to allow the Authority to function.

Sec 4. Limitations On Powers.

4.1 Reserved Powers.

Legislative, administrative, and quasi-judicial powers not delegated to the Authority by this Agreement are reserved to the respective City and Town Councils of the Members.

4.2 Members' Restrictions.

Exercise of the common powers enumerated in Section 3.1 above shall be subject to such restrictions as exist for each Member independently.

4.3 Liability And Co-Obligations Of Authority.

The debts, assets, liabilities and obligations of the Authority shall be solely the debts, assets, liabilities, and obligations of the Authority and not of its Members.

4.4 Existing And Future Bond Obligations.

After the Effective Date, repayment of any preexisting bonds shall continue to be funded solely by the originating Member until such time as the bonds are fully paid off, and neither the Authority nor the other Member shall have any liability or obligation whatsoever for these bonds. For example, as a member of the MERA JPA, each Member is responsible for annual bond payments associated with the initial cost of the MERA infrastructure and the radio equipment purchase incurred prior to the Effective Date. The original 1999 MERA bonds were refinanced in 2010 and run through 2021. These MERA bond payments due after the Effective Date shall remain solely the responsibility of each Member, and the newly-constituted Authority shall have no liability or obligation with respect to such MERA bond payments. If any new bonds after the Effective Date are issued by the Authority and remain outstanding, the Members benefiting from the bonds may not withdraw from the Authority until the bonds have been paid or adequate provision has been made for such payment.

4.5 Reorganization.

No Member shall, without the written consent of the other Member, which consent may be granted or denied in such Member's sole discretion, seek or support via petition or otherwise any jurisdictional reorganization under the Cortese-Knox-Hertzberg Local Government Reorganization Act, Sections 56000, *et seq.*, of the California Government Code, as amended, or otherwise, that could result in the annexation, detachment, merger, consolidation, division, or dissolution of the Authority, or any Member of the Authority.

Sec 5. Personnel.

5.1 Management Committee.

The management of the Authority shall be vested in the Management Committee. The two-person Management Committee shall consist of the City Manager for Larkspur and the Town Manager for Corte Madera. The Management Committee shall have the power:

a. To execute any contract up to an amount consistent with the Authority's purchasing ordinance and/or policies for capital costs of special services, equipment, materials, supplies, maintenance, or repair that involves an expenditure by the Authority within budgetary limits approved by the Fire Council;

- b. To approve the hiring or termination of all personnel of the Authority proposed by the Fire Chief, and to consult with and give direction to the Fire Chief regarding other significant personnel decisions;
- c. To expend funds of the Authority and enter into contracts, whenever required for the immediate preservation of the public protection, health, or safety;
- d. To sell any personal property of the Authority up to a value consistent with the Authority's purchasing ordinance and/or policies;
- e. To authorize the settlement or compromise of damage claims against the Authority in the maximum amount provided for in the Government Code, and to recommend settlement or rejection of claims beyond said amount;
- f. To represent the Authority in meet-and-confer sessions;
- g. To administer the priorities and policies established by the Fire Council for fire services of the Authority; and
- h. To perform such other duties as may be assigned by the Fire Council, and to report at such times and concerning such matters as the Fire Council may require.

5.2 Fiscal Officer.

The Fiscal Officer shall be the depository for and shall have custody of all of the accounts, funds, and money of the Authority from whatever source. The Fiscal Officer shall have the duties and obligations set forth in the Act, and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. Pursuant to the Act, the Fiscal Officer shall have charge of, handle, and have access to all records relating to accounts, funds, and money of the Authority; and the Management Committee shall have charge of, handle, and have access to all physical properties of the Authority; and the Secretary/Clerk shall have charge of, handle, and have access to all other records of the Authority. The Fire Council shall appoint the Fiscal Officer following consultation with the Management Committee.

5.3 Fire Chief.

The Fire Chief shall be appointed by and serve at the pleasure of the Management Committee. The Fire Chief shall report to the Fire Council through the Management Committee.

5.4 Legal Advisor.

The Fire Council shall appoint a legal advisor to the Authority who shall perform such duties as may be prescribed by the Management Committee and/or the Fire Chief.

5.5 Other Employees.

All other employees shall be appointed by the Fire Chief subject to the approval of the Management Committee.

Sec 6. Fiscal Year, Annual Budget.

6.1 Fiscal Year.

The Authority's fiscal year shall be the twelve (12) month period commencing each July 1 and ending on the following June 30.

6.2 Annual Budget.

The Authority shall operate only under an approved and adopted fiscal year budget that includes appropriations for salaries and benefits, services and supplies, capital expenditures and reserves. The Authority may not operate at a deficit.

6.3 Budget Process.

At the end of each fiscal year, the Management Committee and the Fire Chief shall recommend to the Fire Council a budget for the ensuing fiscal year. This draft budget shall be published at least thirty (30) days prior to adoption of the final budget. Not later than June 15th of each year, the Fire Council shall adopt a final budget for the ensuing fiscal year. The annual budget may not be modified or amended after approval except pursuant to the terms of Section 2.3(e) above.

6.4 Control Accounting, Records And Accounts.

The Management Committee and the Fire Chief shall control and account for all expenditures under the adopted budget. The Authority shall cause to be kept accurate and correct books of account, showing capital costs, special services costs, and maintenance and operation costs of the Authority, and all financial transactions relating to the fire facilities, which books of account shall correctly show any receipts and also any costs, expenses, or charges to be paid by the Authority. Said books and records shall be open to inspection at all times during normal business hours by any Member. The Fiscal Officer shall cause all financial records of the Authority to be audited by an independent public accountant or certified public accountant and a copy of the audit to be delivered promptly to each Member.

6.5 Certain Fire Station Costs Excluded.

In accordance with Section 9 below, the budget shall not include costs of replacement or reconstruction of any Fire Station owned by the Members, which costs shall remain the separate responsibility of the owning Member(s) as hereinafter provided.

Sec 7. Annual Contributions.

7.1 Obligations, Notifications.

Annually the Members shall pay to the Authority in care of its Fiscal Officer their respective Percentage Shares of the Authority's adopted budget and of approved increases therein, if any, in accordance with the formula referenced in Section 8 below. Not later than June 15 of each year, the Fire Council shall notify each Member of its Percentage Share for the following year.

7.2 Monthly Payments.

Each Member shall pay an amount equal to one-twelfth (1/12th) of its annual Percentage Share on the first day of each month, beginning on the Effective Date. The Fire Council may set a different payment schedule to provide for adequate cash flow for operations and maintenance expenses and/or capital expenditures if needed.

Sec 8. Cost Sharing.

8.1 Members' Percentage Cost Shares.

All costs shall be fairly and equitably allocated by the Members among themselves pursuant to an agreed-upon percentage share for each Member. The Members hereby acknowledge and agree that all costs will be shared or split equally among themselves save for those costs relating to Fire Services/Field Operations which they shall allocate to each member pursuant to an agreed-upon funding formula. The Members shall agree upon their respective percentage shares prior to the Effective Date, which percentage shares may thereafter be adjusted pursuant to Section 8.2 below.

8.2 Adjustments of Percentage Shares.

The Members' percentage shares referenced in Section 8.1 above may be adjusted annually at the time of the budget process set forth in Section 6.3 above.

8.3 New Member Adjustment Of Percentage Shares.

The Percentage Shares set forth in Section 8.1 above may also be revised at any time by the Fire Council by unanimous vote to accommodate the addition, if any, of new members or consolidations among Members.

8.4 Termination Adjustment Of Percentage Shares.

In the event that a Member gives notice to withdraw from the Authority in accordance with Section 14 below, the remaining Members shall promptly enter into negotiations to determine the Percentage Shares for the remaining Members following that Member's withdrawal.

Sec 9. Fire Stations.

9.1 Ownership.

The Authority on the Effective Date shall commence operating the four existing fire stations, two in Larkspur (Downtown Station No. 15 and Greenbrae Station No. 16) and two in Corte Madera (Paradise Drive Station No. 13 and Tamalpais Drive Station No. 14). These existing four fire stations, owned by the Members, shall remain in the ownership of the respective parties, but the Authority shall have the custody, use, and control of them during the term of this Agreement; provided, however, that said custody, use, and control shall be subject to review and input by any Member according to the specific needs of a Member for public purposes. The Authority and Members shall, in good faith, consider the needs of the public with respect to any request for use and control of existing fire stations.

9.2 Authority Occupancy Of Fire Stations.

The Authority and Members shall enter into the appropriate lease or other agreements setting forth specific terms and conditions under which the Authority shall occupy a fire station owned by a Member.

9.3 Fire Station Maintenance.

a. **Maintenance By Members.** The respective Members owning a fire station shall be responsible for the maintenance, repair, replacement, and improvements to the building structure, mechanical systems, electrical, plumbing, and exterior infrastructure (i.e., roof coverings, driveway, etc.). The Members are not responsible for (i) the maintenance or repair of any systems that have been installed by the Authority and are unique to fire service operations (e.g., dispatch/radio systems, computer networks, etc.), and (ii) the cost of performing any such maintenance or repairs caused by the negligence of the Authority or its employees, agents, servants, licensees, contractors, or invitees.

b. **Maintenance By Authority.** The Authority shall be responsible for routine maintenance of fire stations, interior decorating, landscaping, and fire alarm systems. The Authority is also responsible for the maintenance, repair, replacement, and improvements of the dispatch telecommunication systems and all systems that have been installed by the Authority which are unique to fire service operations (e.g., dispatch/radio systems, computer networks, etc.).

9.4 Casualty Damage.

If any fire or other casualty (whether insured or uninsured) renders all or any portion of a fire station unsuitable for safe and healthy occupancy, then the Member(s) owning the fire station shall, with reasonable promptness after the occurrence of such damage, estimate the time that will be required to substantially complete the repair and restoration and shall notify the Authority in writing of such estimate promptly upon its completion. The owning Member(s) shall then proceed with reasonable promptness and diligence to complete the repair and restoration of the fire station to its condition as existed prior to such casualty, subject to building

codes then in effect. The Authority acknowledges that the owning Member shall be entitled to the full proceeds of any insurance coverage for damage to the fire station, whether carried by the Member or the Authority, except for those proceeds of the Authority's insurance (including endorsements, if any) of its own losses such as personal property coverage. In no event shall the Authority be entitled to any compensation or damages from the owning Member for loss of use of the whole or any portion of a fire station or for any inconvenience or annoyance occasioned by any such damage, destruction, rebuilding, or restoration of a fire station or access thereto, except to the extent business interruption or similar insurance coverage is provided.

Sec 10. Capital Assets Other Than Fire Stations.

10.1 Existing Capital Assets.

The capital assets, including but not limited to fire vehicles, equipment, station furnishings, office equipment, all fire service-related capital assets, and any existing judgments or other outstanding obligations as of the Effective Date of this Agreement, listed in Exhibit A attached hereto and incorporated herein by reference (collectively, the "Existing Capital Assets"), shall remain the property of the respective, designated Member until and unless the Members agree otherwise. In the event of a termination of this Agreement or the withdrawal of a Member from this Agreement, the Existing Capital Assets shall revert to the respective, designated Member(s) in the ownership proportions so stated. Provided, however, that if there is a good faith dispute regarding appropriate proportions and/or divisions, the Members shall participate in the dispute resolution process set forth in Section 15 below. Notwithstanding the foregoing, the custody, use, and control of all such assets shall be transferred on the Effective Date to the Authority, which shall be responsible for operation, maintenance, and repairs as to Existing Capital Assets.

10.2 Authority Capital Assets.

All replacements of Existing Capital Assets and all capital assets acquired by the Authority from and after the Effective Date (collectively, the "Authority Capital Assets") shall be purchased by the Authority, and the Members shall have ownership proportions in accordance with the Percentage Shares referenced in Section 8.1 above. The Authority shall maintain the Existing Capital Assets and the Authority Capital Assets and monitor their conditions so as to replace or reconstruct them in accordance with the Authority's minimum requirements based on latest technology. The Authority may undertake revenue bond financing pursuant to California Government Code Sections 6540, *et seq.*, to acquire Authority Capital Assets.

10.3 Existing Equipment Obligations.

After the Effective Date, all responsibility for payments for existing equipment obligations shall continue to be the sole responsibility of the owning Member and will not transfer to the newly-constituted Authority unless otherwise agreed by the Members in writing. Thus, by way of example, Larkspur's lease of a fire truck existing as of the Effective Date shall remain the sole responsibility of Larkspur for the remaining term of this vehicle lease following the Effective Date and no obligations thereunder shall transfer to the Authority.

Sec 11. Transition Provisions.

11.1 Transitioning Personnel Pursuant To Transition Agreement.

A transition agreement shall be negotiated and entered into between the Authority and the two involved employee Associations covering Members' employees' incorporation into the newly-constituted Authority. Pursuant to this transition agreement, all Members' employees as of January 1, 2018 will become Authority employees as of the Effective Date. All transitioning employees will maintain their current rank and original date of hire for seniority purposes, and as of the Effective Date will be covered under the Memorandum of Understanding in effect following the transition agreement. This Memorandum of Understanding shall provide that all classic employees of the newly-constituted Authority as of the Effective Date will be covered by the CalPERS 3%@55 Safety Retirement Plan. Accrued vacation leave, sick leave, and compensatory time of Members' employees will transfer on the Effective Date to the Authority pursuant to the provisions set forth below. All obligations to retirees who retired prior to the Effective Date shall remain with the Member from which they retired (i.e., either Larkspur or Corte Madera).

11.2 Members' Obligations And Limitations For Pre-existing Financial Liabilities.

a. **Limitations.** Except as provided in this Agreement, the Authority shall not assume, and shall not be deemed to have assumed, or be in any way liable for or subject to or have any obligation for or with respect to, any liabilities or obligations of the Members of any kind, nature, or description whatsoever, whether absolute, accrued, contingent, known, unknown, or otherwise, that were incurred by the members prior to the Effective Date. In addition, any payments, awards, or reimbursements to the Members accruing or arising out of events prior to the Effective Date shall remain their property, with the disposition determined by a majority vote of their Councilmembers.

b. **Other Post-Employment Benefits ("OPEB").** Relative to CalPERS Medical Program benefits, the Authority shall be responsible for OPEB liabilities and the payment of the ARC (Annual Required Contribution) for employees of the Authority beginning on the Effective Date (including any new employees and Members' employees who are becoming Authority employees) and all future retirees. All pre-existing OPEB and ARC liability for the Members' retirees will remain with said Members and will not transfer to the Authority.

c. **Pre-Existing Retirement Employer Side Fund.** Prior to the Effective Date, both the Members participated in either a CalPERS 3%@50 or a 3%@55 Safety Retirement Plan. In 2003, CalPERS established an "Employer Side Fund" for each participating entity to account for the difference between the funded status of the larger CalPERS pool to which it is assigned and the funded status of the participating agency. The parties agree that these pre-existing Employer Side Funds as of the Effective Date shall remain with the parties and shall not transfer to the newly-constituted Authority.

d. **Obligations For Future Payments For Previously-Incurred Service Credits.** Obligations for future payments for previously-incurred service credits for the Members' employees shall be assumed by the newly-constituted Authority.

e. **Compensated Absence Liabilities.** As of the Effective Date, the Members have liabilities in the form of accrued vacation leave, sick leave, and compensatory leave (the "Compensated Absence Liabilities"). Members' employees' sick leave, vacation leave, and compensatory time balances will transfer to the Authority. Responsibility for these respective Compensated Absence Liabilities of the Members shall be negotiated by the parties and shall be resolved pursuant to the transition agreement covering these obligations.

11.3 Beginning Fund Balance.

The beginning fund balance of the Authority as of the Effective Date shall be negotiated and determined by the Members prior to the Effective Date, and Members shall have ownership proportions therein in all fund balances of the Authority in accordance with their Percentage Shares referenced in Section 8.1.

11.4 Existing Workers' Compensation, Liability And Unemployment Insurance Claim Obligations.

Both the City and the Town are members of the Bay Cities Joint Powers Insurance Authority (BCJPIA) self-insurance pool. They each may have existing workers' compensation and third-party liability claims asserted against them prior to the Effective Date, as well as unemployment insurance claims. All such claims incurred, accrued, or asserted prior to the Effective Date shall remain the sole responsibility of the Members and shall not be transferred to or assumed by the Authority. All new such claims incurred, accrued, or asserted after the Effective Date shall be the responsibility of the Authority.

Sec 12. Indemnification; Insurance.

12.1 Indemnification Of Members.

The Authority shall defend, indemnify, and hold harmless the Members and each Member's respective Council, managers, officers, agents, and employees, from any and all claims, losses, damages, costs, injuries, and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.

12.2 Insurance Requirements.

The Authority shall maintain membership in one or more insurance pooling joint powers agencies established pursuant to the Act for purposes of workers' compensation, public liability, and property insurance (as to Authority Capital Assets and the Existing Capital Assets), and shall establish and maintain such self-insurance retentions or other reserves as are required by said agencies.

12.3 Fire Station Insurance.

As to all fire stations, owning Member(s) shall at all times throughout the term of this Agreement maintain adequate property/casualty insurance, updated annually.

Sec 13. Fire Or Paramedic Service To Other Jurisdictions.

Service to other jurisdictions or entities may be provided (a) by contract; (b) by amendment of this Agreement to add an additional Member or Members in accordance with Section 1.5 above; and/or (c) in accordance with State and County mutual aid plans.

Sec 14. Term, Termination And Withdrawal.

14.1 Term.

This Agreement shall commence on the Effective Date and shall continue in full force and effect for an indefinite term until terminated as set forth below.

14.2 Termination.

This Agreement may be terminated only by (a) a unanimous vote of the Fire Council and a written agreement of all of the Members made on or before June 30th of any year, effective no sooner than the June 30th two (2) years thereafter, or (b) a jurisdictional reorganization under California law affecting any of the Members; provided, however that in all cases the Authority shall make proper provisions for the winding up of the Authority's affairs.

14.3 Effect Of Termination.

If upon termination the responsibility for fire protection reverts to the individual Members, the remaining moneys and assets of the Authority including, but not limited to, the Existing Capital Assets, the Authority Capital Assets, the Ending Fund Balance, and any reserves of the Authority to be established, shall be apportioned and distributed to the Members in proportion to the applicable cost-sharing percentages; provided, however, that (i) said distribution may be deferred by the Fire Council in whole or in part for a reasonable period as a reserve to meet liabilities known and unknown, and (ii) the Authority shall continue to exist for the purpose of disposing of all claims and performing all other functions necessary to wind up the Authority's affairs. Thereafter, the Authority shall be dissolved.

14.4 Responsibility For Authority's CalPERS Benefit Plan(s) Upon Termination

In the event this Agreement is terminated pursuant to this Section, responsibility for all obligations of the Authority under its CalPERS benefit plan(s) shall revert to the individual Members, which obligations shall be apportioned to and assumed by the Members in proportion to the applicable cost-sharing percentages established pursuant to Section 8.1 above. The Authority shall continue to exist until agreement is reached and provision is made by the Members for the assumption of all such obligations under the benefit plan(s).

14.5 Withdrawal.

Any Member may terminate its participation in this Agreement and withdraw from the Authority upon written notice to the other Members first given on or before June 30th of any year, effective no sooner than June 30th two (2) years thereafter.

a. **Payments Upon Withdrawal.** If a Member terminates its participation in this Agreement and withdraws from the Authority, it shall pay its Percentage Share of the Authority's costs for which it is responsible to pay up to the effective date of its termination and withdrawal. In addition, a withdrawing Member shall also pay its Percentage Share of (i) the Authority's remaining unpaid costs and debts as budgeted for the two (2) relevant fiscal years related to any and all tangible and intangible Authority property including, but not limited to, costs of equipment, leases, facilities, improvements, etc., (ii) any bonded indebtedness of the Authority incurred prior to the date of withdrawal, (iii) any unpaid contributions assessed against the Authority by the California Public Employees' Retirement System ("CalPERS") relating to the period during which the terminating Member was a Member, (iv) any unpaid contributions in connection with post-employment benefits other than pensions ("OPEB") as part of compensation for services rendered by Authority employees, and (v) the actual costs associated with its withdrawal including, but not limited to, Authority staff time required to change existing services and systems. All payments due under this Section 14.4(a) shall be paid not later than ninety (90) days following the date of termination and withdrawal.

b. **Effect Of Withdrawal.** Termination of and withdrawal from this Agreement by any Member shall not be construed as a completion of the purpose of this Agreement. Remaining monies of the Authority shall be distributed to the respective Members in proportion to their Percentage Shares, provided said distribution may be deferred by the parties in whole or in part for up to five (5) years as a reserve to meet liabilities known and unknown. If a member withdraws from the Authority, then, to the extent that doing so does not substantially adversely impact the Authority's ability to continue to provide fire protection services to the remaining Members, the withdrawing Member shall be entitled to its Percentage Share of the capital assets of the Authority accrued by the withdrawing Member as of the date of its withdrawal to permit the withdrawing Member to reestablish its ability to provide fire protection to its jurisdiction; provided, however, that if there is a good faith dispute regarding whether the Member has accrued an interest in such assets, such Member shall utilize the mandatory dispute resolution process set forth in Section 15 below. Except as expressly provided otherwise in this Agreement, the Fire Council shall have the reasonable discretion and authority to determine how to address any claims of ownership and/or possession of any Authority property by a withdrawing Member, provided, however, that if there is a good faith dispute regarding whether such property is owned by the Authority or by the withdrawing Member, such Member may utilize such dispute resolution process to determine such ownership.

Sec 15. Dispute Resolution Process.

Should any disagreement or dispute among the Members arise concerning interpretation, implementation, and/or enforcement of any of the terms or subject matter of this Agreement, the Members shall submit such dispute to mandatory mediation before an agreed-upon mediator, each involved Member to pay an equal share of the mediation fees and each

involved Member to pay its own attorneys' fees and legal costs. Should the Members be unable to agree upon a mediator, they shall agree upon a mediation service and shall have that service select a mediator for them. Should mediation be unsuccessful, then the Members each agree that they shall submit their dispute to binding arbitration before a mutually-agreeable arbitrator. If they cannot agree upon an arbitrator, they shall select an arbitration service, which shall select an arbitrator for them. The involved Members each shall pay an equal portion of the arbitration fees and each Member shall pay its own attorneys' fees and legal costs, it hereby being agreed that the arbitrator shall have no authority to award attorneys' fees or costs to any prevailing party. The Members each hereby expressly waive any and all rights to have disputes under this Agreement decided by court action, court trial, jury trial, or any other legal action of any kind or type, other than the mandatory mediation and binding arbitration process specified above. However, in emergency or extraordinary circumstances, Members may seek equitable or injunctive relief to preserve the status quo pending occurrence of the mediation/arbitration process specified above. It is the express intent of each Member to have any and all disputes under this Agreement resolved by the above-specified mediation/arbitration process and in as timely and economical manner as possible.

Sec 16. Entire Agreement.

This Agreement, together with its Exhibit A (which is incorporated herein by reference) constitutes the entire agreement among the Members as to the subject matter hereof, and may be altered or amended only by an instrument in writing duly executed by the Members.

Sec 17. Successors.

This Agreement shall be binding upon and shall inure to the benefit of all successors to the Members hereto.

Sec 18. Modification Or Suspension.

This Agreement may be amended only by a written agreement executed by all members. In the event State or Federal laws or regulations enacted after the Effective Date prevent or preclude compliance with one or more provisions herein, such provision shall be modified or suspended only to the extent necessary to comply with such laws or regulations.

Sec 19. Severability.

If any term or provision of this Agreement shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, the remaining terms or provisions of this Agreement are intended to be independently valid and enforceable to the full extent permitted by law.

Sec 20. Governing Law.

This Agreement shall be construed and interpreted in accordance with the laws of the State of California.

Sec 21. Headings.

The section headings and titles contained in this Agreement are for the convenience of reference only and are not intended to define, limit, or describe the scope of any provision of this Agreement.

Sec 22. Consent.

Whenever any consent or approval is required by this Agreement, such consent or approval shall not be unreasonably withheld, conditioned, or delayed, except as otherwise specifically set forth herein.

Sec 23. Enforcement By Authority.

The Authority is hereby authorized to take or seek any or all legal or equitable actions or remedies permitted by law and consistent with Section 15 hereof to enforce this Agreement. Venue shall be in the Superior Court of the County of Marin, California.

Sec 24. Execution In Counterparts.

This Agreement may be executed on behalf of the respective Members in one or more counterparts, all of which collectively shall constitute one document and agreement.

IN WITNESS WHEREOF, the parties hereto have signed this instrument effective as of the date stated in the first paragraph hereof.

CITY OF LARKSPUR, a municipal corporation

ATTEST:

City Clerk

By: _____
_____, Mayor

TOWN OF CORTE MADERA, a municipal corporation

ATTEST:

Town Clerk

By: _____
_____, Mayor

CMD / LRK Assets

CORTE MADERA FIRE INVENTORY

<u>EQUIPMENT:</u>	<u>PURCHASE COST:</u>	<u>REPLACEMENT COST:</u>	<u>NOTES:</u>
2002 Pierce Type 1 Engine	\$ 340,000	\$ 617,000	
2006 Pierce Type 1 Engine	\$ 430,000	\$ 617,000	
2016 Pierce Type III Engine	\$ 425,000	\$ 425,000	
2008 Ford Expedition Prev	\$ 26,500	\$ 45,000	
2017 Ford Explorer C-14	\$ 46,500	\$ 50,000	
2002 Chevy Crew Cab P/U U16	\$ 31,500	\$ 45,000	
2006 Ford Expedition P34	\$ 26,500	\$ 45,000	
2015 Chevrolet 2500 P/U B34	\$ 35,000	\$ 45,000	
2015 Chevrolet 2500 P/U U14	\$ 35,000	\$ 45,000	
2017 Chevrolet 2500 P/U B13	\$ 35,000	\$ 45,000	
2002 Ford Ambulance	\$ 123,000	\$ 225,000	
2015 Ford Ambulance	\$ 200,000	\$ 225,000	
2007 Haulmark Disaster	\$ 20,000	\$ 25,000	
2007 Haulmark Disaster	\$ 20,000	\$ 25,000	
2014 20 SCBA & 42 Bottles	\$ 210,000	\$ 250,000	
SCBA Filling Station	\$ 30,000	\$ 30,000	
2013 Life Pac 15 Monitors (2)	\$ 60,000	\$ 60,000	
2006 Life Pac 12 Monitors (4)	\$ 80,000	\$ 80,000	
2013 Lucas CPR Device (2)	\$ 40,000	\$ 40,000	
Holmotro Rescue Tools	\$ 30,000	\$ 45,000	
2009 35KW Generator	DPW ?	\$ 40,000	
2009 40KW Generator	DPW ?	\$ 45,000	
3 Thermal Imaging Cameras	\$ 30,000	\$ 30,000	
	\$ 2,274,000	\$ 3,099,000	

LARKSPUR FIRE INVENTORY

<u>EQUIPMENT:</u>	<u>PURCHASE COST:</u>	<u>REPLACEMENT COST:</u>	<u>NOTES:</u>
1996 Pierce Type 1 Engine	\$ 300,000	\$ -	eliminating in 2017
2006 Pierce Type 1 Engine	\$ 425,000	\$ 617,000	
2007 Pierce Type 1 Engine	\$ 440,000	\$ 617,000	
2017 Pierce Type 1 Engine	\$ 617,000	\$ 617,000	arriving in 2017 <i>Financial</i>
1998 West Mark Type III Engine	\$ 250,000	\$ 425,000	
1997 West Mark WT	\$ 200,000	\$ 275,000	
2007 GMC Diesel 2500 P/U	\$ 47,000	\$ 60,000	
2001 Dodge P/U	\$ 28,000	\$ 50,000	
2018 Chevrolet 2500 P/U B15	\$ 35,000	\$ 45,000	
19 SCBA & 50 Bottles	\$ 385,000	\$ 250,000	90% Grant Funded-Group Purchase
Quantifit Respirator System	\$ 8,500	\$ 10,000	
Life Pac Monitors	RVPA provides	0	
Extrication Rescue Tools	\$ 30,000	\$ 45,000	
1991 20KW Kohler Generator	DPW ?	\$ 25,000	
2010 25KW Hipower Generator	DPW ?	\$ 35,000	
3 Thermal Imaging Cameras	\$ 30,000	\$ 30,000	
	\$ 2,595,500	\$ 3,101,000	

Exhibit A