

# NORTH COUNTY FIRE PROTECTION DISTRICT

[www.ncfireprotectiondistrict.org](http://www.ncfireprotectiondistrict.org)

330 S. Main Avenue

Fallbrook, California 92028-2938

Phone: (760) 723-2005

Fax: (760) 723-2072

## BOARD OF DIRECTORS

RUTH HARRIS  
BOB HOFFMAN  
FRED LUEVANO  
KENNETH E. MUNSON  
KATHLEEN THUNER

STEPHEN J. ABBOTT - Fire Chief/CEO - [sabbott@ncfire.org](mailto:sabbott@ncfire.org)  
ROBERT H. JAMES - District Counsel Robert James - [robertljameslaw@gmail.com](mailto:robertljameslaw@gmail.com)  
LOREN A. STEPHEN-PORTER - Executive Assistant/Board Secretary - [lstephen@ncfire.org](mailto:lstephen@ncfire.org)

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**SUBJECT:** BOARD MEETING PACKAGE  
**DATE:** July 24, 2018

Enclosed is your Board package for the Regular July Board Meeting. We have tried to include the information you will need to effectively consider and act on agenda items. The Board meeting will be held at **FALLBROOK PUBLIC UTILITY DISTRICT, 990 EAST MISSION ROAD, FALLBROOK, CALIFORNIA.**

Please note this month's meeting is scheduled for Tuesday, July 24, 2018, beginning at 5:00 p.m.

It is our goal to be prepared to respond accurately to Board questions and concerns. You can help us achieve this goal by contacting me prior to the Board meeting with your questions and concerns. This will allow time for the Staff and me to provide the appropriate information for review at the Board meeting.

*To ensure a quorum is present, please call Loren in advance of the meeting if you will be unable to attend. She may be reached at (760) 723-2012.*

Respectfully,



Stephen Abbott  
Fire Chief/CEO



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSALE AND RAINBOW



# NORTH COUNTY FIRE PROTECTION DISTRICT

## AGENDA FOR REGULAR BOARD MEETING

JULY 24, 2018

5:00 p.m.

LOCATION:

**FALLBROOK PUBLIC UTILITY DISTRICT  
990 EAST MISSION ROAD  
FALLBROOK CALIFORNIA**

### PUBLIC ACTIVITIES AGENDA

*For those joining us for the Public Activities Agenda, please feel free to depart at the close of the agenda. We invite you to stay for the remainder of the business meeting.*

#### CALL TO ORDER

#### ROLL CALL

#### INVOCATION

#### PLEDGE OF ALLEGIANCE

#### 1. PUBLIC COMMENT — PRESIDENT MUNSON

(pgs. 1-2)

- Standing Event: Members of the Public may directly address the Board of Directors on Events of interest to the Public provided no action will be taken on non-agenda Events. The Board President may limit comments to three minutes per speaker (Board of Directors Operations Policy § 4.7.2.1.2.).

#### 2. EMPLOYEE BADGE PINNING — CHIEF ABBOTT

(pgs. 3-4)

- Standing Item: Badge Pinning for Promoting Employee Engineer/Paramedic Dustin Glasgow.

#### 3. RECOGNITION OF RETIRING EMPLOYEE — CHIEF ABBOTT

(pgs. 5-6)

- Standing Item: Recognition of service for retiring Captain Gary Nelson.

#### 4. CONSIDERATION OF RECOGNITION PROGRAM AWARD MODIFICATIONS — CHIEF ABBOTT

(pgs. 7-14)

- Follow-Up Item: Consideration of Options for Program Awards.

### ACTION AGENDA

#### CONSENT EVENTS:

*All Events listed under the Consent Events are considered routine and will be enacted in one motion. There will be no separate discussion of these Events prior to the Board action on the motion, unless members of the Board, Staff or public request specific Events be removed from the Consent Agenda.*

#### 5. REVIEW AND APPROVE REGULAR BOARD MEETING MINUTES, JUNE 2018

(pgs. 15-22)

- Standing Event: Review and approve minutes from June meeting as presented.

#### 6. REVIEW AND ACCEPT FINANCIAL REPORT FOR JUNE 2018

(pgs. 23-34)

- Standing Event: Review and Accept Financial Report for June as presented.

#### 7. REVIEW AND APPROVE POLICIES & PROCEDURES - None

(pgs. 35-36)

#### 8. REVIEW AND ACCEPT CUSTOMER SATISFACTION SURVEY PROGRAM RESULTS — SECOND QUARTER 2018

(pgs. 37-46)

- Quarterly Report: Report demonstrates 22% of surveys were returned; 95% of which were in the "excellent" category.

#### 9. REVIEW AND ACCEPT ANNUAL TRAINING REPORT FOR 2018

(pgs. 47-50)

- Standing Item: Review and accept Report that demonstrates both Career and Reserve Staff meet or exceed minimum required monthly training hours.

**Note:** The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, District business. If you need assistance to participate in this meeting, please contact the District Office 72 hours prior to the meeting at (760) 723-2012.



## AGENDA FOR REGULAR BOARD MEETING

JULY 24, 2018

PAGE 2 OF 3

### ACTION EVENTS:

*All Events listed under the Action Events Agenda will be presented and discussed prior to the Board taking action on any matter. Time Certain Events will commence precisely at the time announced in the Agenda.*

10. **PUBLIC HEARING DATE/TIME CERTAIN JULY 24, 2018 AT 5:15 P.M. — FOR ESTABLISHMENT OF MULTIYEAR FACILITIES AND EQUIPMENT PLAN FOR THE FEE MITIGATION PROGRAM WITH ADOPTION OF RESOLUTION 2018-13 — FM KOCH AND CHIEF ABBOTT** (pgs. 51-66)
  - *Annual Action:* Review and approve Resolution 2018-13 to comply with the requirements of the Fee Mitigation Program. *Requires Roll Call Vote.*
11. **APPROVE/AUTHORIZE FIXED CHARGE SPECIAL ASSESSMENT FOR WEED ABATEMENT — FM KOCH AND CHIEF ABBOTT** (pgs. 67-68)
  - *FOLLOW-UP ITEM:* Final Approval and authorization of Staff for deliver fixed Charge Assessment to County.
12. **REVIEW AND APPROVE LEASE PURCHASE AGREEMENT FOR NEW AMBULANCE PURCHASE, APPROVE RESOLUTION 2018-14 CERTIFYING APPROVAL OF MASTER EQUIPMENT LEASE PURCHASE AGREEMENT — DFM MAROVICH AND CHIEF ABBOTT** (pgs. 69-100)
  - *New Event:* Review and approve expenditure of \$145,000.00 toward lease/purchase of new ambulance and remount; approve Resolution 2018-14 certifying the Lease Agreement and authorizing District Staff to execute necessary documents.
13. **REVIEW AND APPROVE LEASE PURCHASE AGREEMENT FOR NEW ENGINES (2) PURCHASE, APPROVE RESOLUTION 2018-15 CERTIFYING APPROVAL OF MASTER EQUIPMENT LEASE PURCHASE AGREEMENT — DFM MAROVICH AND CHIEF ABBOTT** (pgs. 101-34)
  - *New Event:* Review and approve expenditure of \$2,009,699.40 toward lease/purchase of 2 new Type I Engines; approve Resolution 2018-15 certifying the Lease Agreement and authorizing District Staff to execute necessary documents.
14. **REVIEW AND APPROVE RESOLUTION 2018-16 RE: UPDATING COST RECOVERY PROGRAM FOR RESPONSE TO HIGHWAY INCIDENTS — DFC MAROVICH AND CHIEF ABBOTT** (pgs. 135-42)
  - *New Item:* Review and approve the Resolution 2018-16, updating the Cost Recovery Program for motor vehicle, Haz-mat and pipeline breakage/repair incidents within the District, which has not been updated since 2009.

### DISCUSSION AGENDA

*No action shall be undertaken on any Discussion Event. The Board may: acknowledge receipt of the information or report and make comments; refer the matter to Staff for further study or report; or refer the matter to a future agenda.*

15. There are no Discussion Agenda Items for the July 24, 2018, Board Meeting. (pgs. 143-44)

**STANDING DISCUSSION EVENTS:** *All Events listed under the Standing Discussion Events are presented every meeting.*

- **LEGAL COUNSEL REPORT:** (pgs. 145-46)
  - "New Legislation Effective 2018"
- **WRITTEN COMMUNICATION:** (pgs. 147-52)
  - BOARD RECOGNITION PROGRAM
- **NEWS ARTICLES:** As attached. (pgs. 153-78)
- **COMMENTS/QUESTIONS:** (pgs. 179-80)
- **STAFF:**
  - Chief Abbott
  - Other Staff
- **BOARD**
- **BARGAINING GROUPS**
- **PUBLIC COMMENT**



## AGENDA FOR REGULAR BOARD MEETING

JULY 24, 2018

PAGE 3 OF 3

### CLOSED SESSION

The Board will enter closed session to discuss events as outlined herein. As provided in the Government Code, the public will not be present during these discussions. At the end of the Closed Session, the Board shall publicly report any action taken in Closed Session (and the vote or abstention on that action of every member present) in accordance with Government Code § 54950 ET. seq.

- CS-1. **ANNOUNCEMENT — PRESIDENT MUNSON:** (pgs. 181-82)  
 ➤ An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.
- CS-2. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — MANAGEMENT GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
 ➤ NCFPD MANAGEMENT GROUP DISTRICT NEGOTIATORS:  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-3. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — NON-SAFETY GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
 ➤ FFA NON-SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-4. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — SAFETY GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
 ➤ FFA SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-5. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — UNREPRESENTED INDIVIDUALS — CHIEF ABBOTT:**  
 ➤ EXECUTIVE ASSISTANT/BOARD SECRETARY AND FIRE MARSHAL DISTRICT NEGOTIATORS:  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-6. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE § 54956.8 — CHIEF ABBOTT:**  
 ➤ PROPERTY LOCATION: 4157 Olive Hill Road — Station 3, Fallbrook, CA 92028;  
 PARTIES: North County Fire Protection District (Seller);  
 UNDER NEGOTIATION: Terms of Sale;  
 DISTRICT NEGOTIATORS: Chief Abbott, District Counsel James
- CS-7. **CONFERENCE WITH DISTRICT COUNSEL REGARDING PENDING LITIGATION — GOVERNMENT CODE § 54956.9 (D)(4) — DISTRICT COUNSEL JAMES:**  
 ➤ TO BE DISCUSSED: Whether or not a basis exists for anticipated litigation.  
 DISTRICT COUNSEL: District Counsel James
- CS-8. **REPORT FROM CLOSED SESSION — PRESIDENT MUNSON**

**CONVENE TO OPEN SESSION:** The Board will return to Open Session at the conclusion of Closed Session to Report on Closed Session Matters and to Hear Remaining Agenda Items, if any.

### ADJOURNMENT

#### SCHEDULED MEETINGS

The next regularly scheduled Board meeting is: Tuesday, August 28, 2018, 5:00 p.m. at FPUD.

#### CERTIFICATION OF AGENDA POSTING

"I certify that this Agenda was posted in accordance with the provisions of the Government Code § 54950 et. seq. The posting locations were: [1] the entrance of North County Fire Protection District Administrative Offices, [2] Fallbrook Public Utility District Administrative Offices and [3] the Roy Noon Meeting Hall; [4] District's website at <http://www.ncfireprotectiondistrict.org>. The Agenda was also available for review at the Office of the Board Secretary, located at 330 S. Main Avenue, Fallbrook (760) 723-2012. Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet, are available for public inspection in the Office of the Board Secretary, during normal business hours or may be found on the District website, subject to the Staff's ability to post the documents before the meeting. The date of posting was July 19, 2018."

Board Secretary Loren Stephen-Porter:

*Loren Stephen-Porter*

Date: July 19, 2018



**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**DATE:** JULY 24, 2018  
**SUBJECT:** PUBLIC COMMENT

**PUBLIC COMMENT:**

- 1. Members of the Public may directly address the Board of Directors on items of interest to the Public provided no action will be taken on non-agenda items. The Board President may limit comments to three minutes per speaker (Board of Directors Operations Policy § 4.7.2.1.2).*



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## NORTH COUNTY FIRE PROTECTION DISTRICT ADMINISTRATION

**TO:** BOARD OF DIRECTORS  
**FROM:** CHIEF ABBOTT & DEPUTY CHIEF MAROVICH  
**DATE:** JULY 24<sup>TH</sup>, 2018  
**SUBJECT:** BADGE PINNING CEREMONY

### **PUBLIC ACTIVITIES AGENDA**

#### **BACKGROUND:**

The Board of Directors has approved a process of promoting District employees during regularly scheduled Board meetings. This practice provides a professional environment for congratulating the employees and their families for all the hard work and sacrifice.

#### **DISCUSSION:**

The following individual will be present during the July 24<sup>th</sup>, 2018, Regular Board Meeting. Fire Chief Stephen Abbott will take this opportunity to officiate over the Badge Pinning Ceremony.

It is the distinct pleasure of the organization to present the following individual for promotion:

Dustin Glasgow

Engineer/Paramedic

#### **Dustin Glasgow:**

Dustin Glasgow has been with NCF since 2007, he started in the Explorer program for 2 years; in 2008 he was hired as a Reserve where he continued until 2013, when he was hired as a full time Firefighter/Paramedic. Dustin has been married to his wife Mary for 7 years and has 3 children. Braxton (5), Jaylyn (3), and Spencer (9 Mo).

Dustin is currently working with NCF's IT, Mapping, and MDC Programs.

In addition to the district programs he works on, he is also very busy with the Fallbrook Firefighters Association as their Website administrator and helps take care of all their Social Media.

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**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
ADMINISTRATION**

**TO:** BOARD OF DIRECTORS  
**FROM:** D/C MAROVICH AND CHIEF ABBOTT  
**DATE:** JULY 24<sup>TH</sup>, 2018  
**SUBJECT:** RECOGNITION OF RETIRING EMPLOYEES

## **PUBLIC ACTIVITIES AGENDA**

### **BACKGROUND:**

Traditionally, when employees retire from the District, they are invited to the next Board of Directors meeting to be recognized for their service to the District

### **DISCUSSION:**

It is the distinct pleasure of the organization to recognize the years of service to the District and our community for the following individual:

#### **RETIRING EMPLOYEE**

<b>RETIREE</b>	<b>YEARS OF SERVICE</b>
Captain Gary Nelson	36 years of service to NCPFD

### **FISCAL ANALYSIS:**

No fiscal impact.

### **SUMMARY:**

It is with fondness and gratitude that the District commends Gary for his dedication during his years of service. The District thanks him for his efforts on behalf of the community and for helping to make North County Fire Protection District the organization, it has become. Staff wishes Gary the best of luck in his future endeavors.

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**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** CHIEF ABBOTT AND BS STEPHEN-PORTER  
**DATE:** JULY 24, 2018  
**SUBJECT:** RECOGNITION PROGRAM AWARDS

**ACTION AGENDA**

**RECOMMENDATION:**

That the Board select an award style or provide further direction to move forward with the Recognition Program.

**BACKGROUND:**

Prior to February of 2018, the Board Recognition Program provided certain monetary awards to individuals and crews recognized for their extraordinary efforts. Based on advice of District Counsel, the Board determined to modify the Program to provide an alternate award of recognition, asking the Board Secretary to present samples for consideration.

**DISCUSSION:**

At a subsequent Board meeting, members suggested providing awardees with a tangible and memorable award. Suggested formats were provided from members. Attached to this report are several award options for the Board to consider. Prices vary depending on the number of items purchased, inscriptions and size of the award. These are intended as suggestions only and other options are available, depending upon the desires of the Board.

**FISCAL ANALYSIS:**

Fiscal impact unknown until the type of award is determined.

**SUMMARY:**

Staff requests the Board provide input and/or approval of a format for future Board Recognition Program awards.



FREE SHIPPING

US Ground \$100+ Prepaid Trophies & Plaques Only (Does Not Include Crystals or Acrylics)

FREE ENGRAVING

Up To 40 Characters on Trophies & Plaques



CHAT

DESCRIPTION    PACKAGING

CROWN'S WALNUT PLAQUES FEATURE A FULL SIZED BLACK METAL PLATE WITH GOLD ENGRAVING.

ADDITIONAL INFO:FREE ENGRAVING UP TO 40 CHARACTERS.

MATERIAL:            WOOD WITH METAL

TOTAL SIZE:        PLWLM79: 7"W X 9"H  
                         PLWLM810: 8"W X 10"H

Step 1: Select a Size

8"W X 10"H

- 7"W x 9"H  
#PLWLM79
- 8"W X 10"H  
#PLWLM810

DESIGN YOUR OWN

Step 3: Design Your Own Artwork

USE NEW ARTWORK

- USE NEW ARTWORK
- NO LOGO - TEXT ONLY

CHOOSE A FILE TO UPLOAD

☒ Or email artwork later    ?

Step 4: Need a Gift Bag?

NO GIFT BAG

-   
Add \$4.99
- NO GIFT BAG

Quantity:     Engraving Multiple Items?    ?

Total: \$22.99



**FREE SHIPPING**

US Ground \$100+ Prepaid Trophies & Plaques Only (Does Not Include Crystals or Acrylics)

**FREE ENGRAVING**

Up To 40 Characters on Trophies & Plaques



CHAT

#### DESCRIPTION PACKAGING

SELECT YOUR FRAME FINISH, MATTING COLOR AND PLATE COLOR!

**ADDITIONAL INFO:** YOUR LOGO FREE ON 50+ PIECE ORDERS. ONE TIME \$35 LOGO FEE FOR ORDERS LESS THAN 50 PIECES.

**LARGE PLATE:** INCLUDED WITH PLAQUE. FREE ENGRAVING UP TO 40 CHARACTERS.  
**SMALL PLATE:** NEED TO ORDER ENGRAVED NAME PLATES WITH YOUR PLAQUE ORDER TODAY? A POP UP WILL APPEAR AFTER THE ENGRAVING FOR THE LARGE PLATE IS ENTERED AND THE ITEM IS ADDED TO YOUR CART. NEED ENGRAVED NAME PLATES FOR A PLAQUE YOU ALREADY HAVE? SELECT [GOLD PLATES](#) OR [SILVER PLATES](#) TO PURCHASE SEPARATELY.

PLATES FEATURE A SELF ADHESIVE BACKING FOR EASY APPLICATION.

**TOTAL SIZE:** 17"W X 21"H

#### Step 1: Choose Frame Finish

36 PL MAHOGANY FRAME PORTRAIT



#### Step 2: Choose Matting Color

MAHOGANY MATTING PORTRAIT 36 P



129.99





24 HOUR TURNAROUND On Web Orders Placed By 5:00PM EST FREE ENGRAVING Up To 40 Characters

CHAT



DESCRIPTION    PACKAGING

CROWN'S EXCLUSIVE RAINBOW PAPERWEIGHT IS THE PERFECT WAY TO SHOW YOUR APPRECIATION.

ADDITIONAL INFO: INCLUDES YOUR VERY OWN LOGO OR A FREE STOCK IMAGE. YOUR LOGO FREE ON 50+ PIECE ORDERS. ONE TIME \$35 LOGO FEE FOR ORDERS LESS THAN 50 PCS.

MATERIAL:        CRYSTAL

TOTAL SIZE:       GLPWRPR: 2"W X 2 3/4"H  
                         GLRPR6: 2 1/2"W X 6"H

Step 1: Select a Size

6"

2 3/4"  
#GLPWRPR

6"  
#GLRPR6

DESIGN YOUR OWN

Step 3: Design Your Own Graphic  
USE NEW ARTWORK

USE NEW ARTWORK

NO LOGO - TEXT ONLY

CHOOSE A FILE TO UPLOAD

☒ Or email artwork later ?

Step 4: Need a Gift Bag?  
NO GIFT BAG



Add \$4.99



Add \$2.00

Quantity:

Engraving Multiple Items? ?

Total: \$34.99

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Home

Corporate Celebration

Glass Awards

Essence Art Glass Award

# Essence Art Glass Award



Overview

Top Questions

Choose the Essence Award to recognize top performance! This intriguing award is constructed entirely from glass and features a lyrical swirl of molten colors. Your personalized message will be engraved on plate and displayed at the base of the award. Rush service and shipping available to the entire USA! Please note that some air bubbles will be visible and are not considered a defect.

Size

5.25"H x 2.625"W

SKU: AG2255

Volume pricing	1+	3+	6+
Price	\$38.48	\$35.53	\$33.76

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Accolade Art Glass

# Accolade Art Glass



OverviewTop Questions

A combination of cobalt, crimson, ivory and jet black entwined together and suspended in molten glass make this glimmering achievement award the choice for successful endeavors. Please be aware that all pieces are individually crafted so they will vary slightly and may have some minor air bubbles and imperfections. Your congratulatory message will be etched in bright silver or gold on a black metal plate. Immediate shipping is available anywhere in the USA!

Size7.5"

SKU: 1625

Volume pricing	1+	3+	6+
Price	\$44.67	\$41.89	\$39.78

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Corporate Celebration

Glass Awards

Artful Helix Glass Award

# Artful Helix Glass Award



Overview

Top Questions

Choose the stunning Artful Helix award to recognize outstanding performance! This intriguing award is constructed entirely from glass and features a lyrical swirl of molten red coils. Your personalized message will be engraved on plate and displayed at the base of the award. Rush service and shipping available to the entire USA!

Size

6.75"H

SKU: AG2169

Volume pricing	1+	3+	6+
Price	\$48.54	\$46.29	\$43.95

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Corporate Celebration

Crimson Trend Art Glass

# Crimson Trend Art Glass



Overview

Top Questions

Choose the intriguing Crimson Trend Art Glass Award to recognize your recipients. This award is a popular choice for thank you gifts, sponsor and donor awards as well as staff recognition awards. Your inscription will be etched in silver onto a black metal plate as shown. Shipping is available to the entire USA!

Size

7.5"H x 4"W

SKU: AG-2249

Volume pricing	1+	3+	6+
Price	\$58.68	\$55.76	\$53.22

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1     **June 26, 2018**

2     **REGULAR MEETING OF THE BOARD OF DIRECTORS OF**  
3     **THE NORTH COUNTY FIRE PROTECTION DISTRICT**

4     President Munson called the meeting to order at 5:00.

5     **THE INVOCATION GIVEN BY CHIEF ABBOTT.**

6     **ALL RECITED THE PLEDGE OF ALLEGIANCE.**

7     **ROLL CALL:**

8     **Present:**     Directors Hoffman, Luevano, Munson and Thuner.

9     **Absent:**     Director Harris.

10    **Staff Present:** Fire Chief/CEO Abbott, Attorney James and Board Secretary Stephen-  
11    Porter. In the audience were: DFC Marovich, B/Cs Krumwiede and McReynolds, FM Koch  
12    and members of the public and Association.

13  
14                   **PUBLIC ACTIVITIES AGENDA**

15    1.     **PUBLIC COMMENT:** President Munson addressed the audience and inquired whether  
16    there were any public comments regarding items not on the Agenda. Chief Abbott informed  
17    the Board that the District had received notice that PASIS has changed the management  
18    group for claims and with that, a new bank authorization is required. The notification arose  
19    after the agenda was published and is time sensitive to meet claim and medical payment  
20    submissions, therefore it requires the Board act expeditiously. On a motion by Vice  
21    President Luevano, which was seconded by Director Hoffman, the Board unanimously found  
22    that the matter arose after the posting of the agenda. On a motion by Director Thuner, which  
23    was seconded by Director Hoffman, the Board unanimously found that the matter was time  
24    sensitive and agreed to place it on the Action Agenda after Item 11. There being no further  
25    comments, the Public Comment Section was closed.

26    2.     **EMPLOYEE OATH OF OFFICE AND BADGE PINNING — CHIEF ABBOTT:** Chief Abbott  
27    presented for installation the following new employees: Lars Beeghley, Brandon Resch,  
28    Brendan McReynolds, Chany Reth and Dylan Walker. At the end of the introductions, the

members were sworn in. All members were given an opportunity to introduce family and friends available for the event and were pinned and congratulated by the Board.

## **ACTION AGENDA**

### **CONSENT ITEMS:**

3. **REVIEW AND ACCEPT REGULAR BOARD MEETING FOR MAY 2018**
4. **REVIEW AND ACCEPT FINANCIAL REPORT FOR MAY 2018**
5. **REVIEW AND ACCEPT POLICIES & PROCEDURES**
6. **REVIEW AND ACCEPT ANNUAL FLEET SERVICES DIVISION REPORT**

President Munson inquired whether there were any questions on Consent Items 3 to 6. There being no discussion, President Munson asked for a motion to approve the Consent Agenda. On a motion by Vice President Luevano, seconded by Director Hoffman, the motion to approve the Consent Agenda Items as presented passed unanimously.

### **ACTION ITEMS:**

7. **REVIEW AND APPROVE RESOLUTION 2018-11 — REQUESTING A TEMPORARY TRANSFER OF FUNDS FROM THE COUNTY TREASURER TO NORTH COUNTY FIRE PROTECTION DISTRICT —**

**DFC MAROVICH AND CHIEF ABBOTT:** Chief Marovich presented a request to approve Resolution 2018-11 to the Board, noting this is an annual action that is required in order to obtain advances on the tax monies due the District from the County. The Resolution permits the District to be advanced a maximum of 85% of the anticipated taxes due in a given year, which the District uses until taxes are collected and released to it. It was noted there is a small interest charge, less than 1 percent, charged for the advance. On a motion by Director Thuner, seconded by Director Hoffman, the motion to approve Resolution 2018-11 passed unanimously.

8. **REVIEW AND APPROVE RESOLUTION 2018-12 ESTABLISHING THE LIMIT OF APPROPRIATIONS OF PROCEEDS OF TAX SUBJECT TO LIMITATION FOR FISCAL YEAR 2018/2019 IN COMPLIANCE WITH ARTICLE XIII-B OF THE CONSTITUTION OF THE STATE OF CALIFORNIA —**

**DFC MAROVICH AND CHIEF ABBOTT:** Chief Marovich presented the required action to the

Board, noting it is necessary for the District to complete each year. As is routinely the case, the District is under the maximum amount allowed by quite a bit. Brief discussion ensued regarding how this amount is determined. On a motion by Director Thuner, seconded by Director Hoffman, the motion to approve Resolution 2018-12 passed unanimously.

9. **REVIEW AND CAST VOTE IN ELECTION FOR CSDA BOARD OF DIRECTORS, SOUTHERN NETWORK — CHIEF ABBOTT:** Chief Abbott informed the Board the Southern Network of CSDA had submitted election materials and candidate statements for Board of Directors for the Network. The Board has the opportunity to vote for Seat A and there are two individuals on the ballot for this position: Jo MacKenzie – Vista Irrigation District and Joseph Kelly – Big Bear Airport District. On a motion by Director Thuner, seconded by Vice President Luevano, the motion to cast a vote for Jo MacKenzie and to authorize the Board Secretary to cast the vote on behalf of the Board passed unanimously.

10. **APPROVE/AUTHORIZE FIXED CHARGE SPECIAL ASSESSMENT FOR WEED ABATEMENT — FM KOCH AND CHIEF ABBOTT:** FM Koch presented a request to approve a special assessment to the Board for property owners who have failed to comply with District notices to abate their weeds. When they do not comply within a specified time-period, they have been brought to compliance by the District's Special Service contractor. The property owners have been invoiced for the final costs and fees associated with abating their parcel. Staff has mailed courtesy notices and invoices requesting payment to the following non-compliant property owners. Appropriate notice was posted prior to the Board meeting. If the three owners who remain do not pay by the close of business day July 31<sup>st</sup>, the list will be delivered to the County of San Diego no later than August 10<sup>th</sup>, 2018, who will then lien the property. The final list will be brought to the Board in July. On a motion by Director Hoffman, seconded by Director Thuner, the motion to approve and authorize the fixed charge special assessment for weed abatement passed unanimously.

11. **REVIEW AND APPROVE PRELIMINARY BUDGET FOR FY 2018/2019; SET PUBLIC HEARING DATE TIME CERTAIN OF 5:15 P.M., SEPTEMBER 26, 2018 TO APPROVE THE FINAL BUDGET – DFC MAROVICH AND CHIEF ABBOTT:** After a brief introduction by Chief Abbott, Chief Marovich presented the Preliminary Budget to the Board, noting a few changes from the Preliminary

Budget presented in May. Revenue: The District is anticipating an increase in property tax revenue of approximately \$486,675 over budgeted in FY 17/18. New construction is expected to continue this fiscal year, mitigation fees were increased. Total restricted funds decreased due to the end of the Staffing for Adequate Fire & Emergency Response (SAFER I) grant of approximately \$364,895. Donations and Grant line item still reflects monies from the SAFER II and Fallbrook Health Care District for an ambulance. Expenses: Salaries remain the same and healthcare will be adjusted at the final budget once numbers are received. PERS has an increase of 8% over last year's budgeted amount due to the UAL. Monies have been added for the community outreach efforts. Dispatch services increased due to call volume, rate increase and the PERS UAL payoff plan. Additionally, to maintain the existing fleet plan, it is necessary to replace a staff vehicle, two new Type I engines and remount an ambulance. The District continues to pay towards the upgrades to the 800 MHz radio system. Discussion ensued regarding having a higher amount in the contingency fund. Consolidation of the Rainbow funds into the main budget was also discussed. There was an error noted on one of the line items, which Chief Marovich will correct. With that correction, on a motion by Vice President Luevano, seconded by Director Thuner, the motion to approve the Preliminary Budget and to set the Public Hearing Date and Time Certain for September 25, 2015 at 5:15 p.m. passed unanimously.

11.1. REVIEW AND APPROVE RESOLUTION 2018-13 AUTHORIZING SIGNERS ON DISTRICT BANK

ACCOUNT FOR WORKERS' COMPENSATION ACCOUNT – CHIEF ABBOTT: Chief Abbott informed the Board the District Workers' Compensation Carrier, PASIS, had changed the management company and due to this, the signatories on the account needed to be updated to permit timely payment of claim and medical payment submissions. Board members inquired whether two signatures would always be required. Chiefs Abbott and Marovich noted it is our policy and it would be reinforced with the Bank and the new management company. On a motion by Vice President Luevano, seconded by Director Thuner, the motion to approve Resolution 2018-13 passed unanimously.

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## DISCUSSION AGENDA

### 12. CONSIDER AND DISCUSS COMMUNITY OUTREACH IMPLEMENTATION PLAN — CHIEF

ABBOTT: Dr. Manross was present to discuss the Community Outreach Implementation Plan with the Board. He reviewed his Plan, which was discussed including timeline, responsibilities, expectations types of media, including social media. Discussion ensued with the Board accepting the overall approach. Board members requested a monthly update on progress either from Dr. Manross or Staff.

#### STANDING DISCUSSION ITEMS:

- LEGAL COUNSEL REPORT: Counsel James presented his report "Roster of Public Agencies." Brief discussion ensued, with it being noted the Board Secretary submits this at least annually. This is informational only, no action required.

- WRITTEN COMMUNICATIONS: Brief discussion ensued regarding the items, Informational only, no action required.

- BOARD RECOGNITION PROGRAM

- NEWS ARTICLES: Brief discussion ensued regarding articles. This is informational only, no action required.

- COMMENTS:

- STAFF REPORTS/UPDATES:

- STEPHEN ABBOTT, FIRE CHIEF/CEO: Chief Abbott noted the District recent had a ten-acre vegetation fire that crews handled very expeditiously. He recently participated in an EMS listening session, where members were afforded the opportunity to express their concerns with the County and its consultant on the direction the County was moving and how it affects surrounding areas. The Zone is looking at best practices for how to handle a shooting incident such as occurred in Long Beach. Informational only, no further action required.

- CHIEF OFFICERS AND OTHER STAFF: DFC MAROVICH: DFC Marovich noted the District has recruited for Single Role EMS and Paramedics, with 8 applicants for Paramedics and 29 applicants for Medics responding. DFC Marovich informed the Board Station 5 had a sewage line break in the wall that they are working with the builder to resolve. B/C



**KRUMWIEDE:** B/C Krumwiede updated the Board on facilities, noting Station 4 flooring and painting will be complete in 2 weeks. Duct cleaning was done 1 year ago. **B/C McREYNOLDS:** B/C McReynolds informed the Board there will be the first Captains' academy coming up with approximately four participants.

- **BOARD:** No comments.
- **BARGAINING GROUPS:** No comments.
- **PUBLIC COMMENT:** No comments.

## **CLOSED SESSION**

### ● **OPENING CLOSED SESSION:**

At 7:05 p.m., President Munson inquired whether there was a motion to adjourn to Closed Session. On a motion to adjourn to Closed Session by Director Hoffman, seconded by Vice President Luevano, President Munson read the items to be discussed in Closed Session and the Open Session was closed. A short break ensued after the reading of the Closed Session Items. At 7:10 p.m., and the Board entered Closed Session to hear:

#### CS-1. **ANNOUNCEMENT — PRESIDENT MUNSON:**

An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.

#### CS-2. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE § 54956.8 — CHIEF ABBOTT:**

PROPERTY LOCATION: 4157 Olive Hill Road – Station 3; Fallbrook, CA 92028;

PARTIES: North County Fire Protection District (Seller);

UNDER NEGOTIATION: Terms of Sale;

DISTRICT NEGOTIATORS: Chief Abbott, District Counsel James

#### CS-3. **CONFERENCE WITH DISTRICT COUNSEL REGARDING PENDING LITIGATION — GOVERNMENT CODE §**

#### **54956.9 (D)(4) — DISTRICT COUNSEL JAMES:**

TO BE DISCUSSED: Whether or not a basis exists for anticipated litigation.

DISTRICT COUNSEL: District Counsel James

#### CS-4. **REPORT FROM CLOSED SESSION — PRESIDENT MUNSON**

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174 ● **REOPENING OPEN SESSION:**

175 On a motion by Director Hoffman, which was seconded by Director Thuner and which  
176 passed unanimously, the Board returned Open Session at 7:20 p.m., the following items  
177 were reported out to the public:

178 CS-2. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE § 54956.8**  
179 **— CHIEF ABBOTT:** No reportable action.

180 CS-3. **CONFERENCE WITH DISTRICT COUNSEL REGARDING PENDING LITIGATION—**  
181 **GOVERNMENT CODE § 54956.9 (D)(4) — DISTRICT COUNSEL JAMES:** No reportable action.

182  
183 **ADJOURNMENT**

184 A motion was made at 7:25 p.m. Director Thuner and seconded by Director Hoffman to  
185 adjourn the meeting and reconvene on July 24, 2018, at 17:00. The motion carried  
186 unanimously.

187 Respectfully submitted,

188  
189 

190 Loren Stephen-Porter

191 Board Secretary

192  
193 Minutes approved at the Board of Director's Meeting on: July 24, 2018

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# NORTH COUNTY FIRE PROTECTION DISTRICT

## ADMINISTRATION - BUDGET & FINANCE

**TO:** BOARD OF DIRECTORS

**FROM:** DFC CHIEF STEVEN MAROVICH, HR/FS CHERIE JUUL AND CHIEF ABBOTT

**DATE:** JULY 24, 2018

**SUBJECT:** REVENUE & EXPENDITURES AS OF JUNE 30, 2018 (100%)

### FALLBROOK DIVISION

Revenue Sources	Budgeted	Collected	Over/Under	% of Budget
Property Taxes	13,905,000.00	14,176,719.46	271,719.46	102%
Ambulance and Collections	1,700,000.00	1,681,350.48	(18,649.52)	99%
GEMT-State Supplement	100,000.00	280,489.79	180,489.79	280%
Prevention Fees	130,000.00	312,185.94	182,185.94	240%
Tower Lease Agreements	85,000.00	88,654.53	3,654.53	104%
Other Revenue Sources	110,000.00	50,835.74	(59,164.26)	46%
Interest	25,000.00	34,500.18	9,500.18	138%
Rainbow Div Admin Fees	66,250.00	24,999.96	(41,250.04)	38%
Cost Recovery	60,000.00	66,503.42	6,503.42	111%
Strike Team Reimbursements	-	629,443.69	629,443.69	-
Other Reimbursements	449,006.00	203,337.32	(245,668.68)	45%
Mitigation Fees & Interest	200,000.00	615,844.86	415,844.86	308%
Donations & Grants	935,322.00	719,785.49	(215,536.51)	77%
Annexation fees	-	-	-	-
Transfers & Loans	760,000.00	-	(760,000.00)	0%
<b>Total Revenue:</b>	<b>18,525,578.00</b>	<b>18,884,650.86</b>	<b>359,072.86</b>	<b>102%</b>

	Budgeted	Spent	Over/Under	% of Budget
TTL Expenditures YTD thru 06-30-2018	18,525,578.00	18,093,909.00	(431,669.00)	98%
Revenue over Expenditures		790,741.86		

### RAINBOW DIVISION

Revenue Sources	Budgeted	Collected	Over/Under	% of Budget
Property Taxes	242,000.00	263,753.80	21,753.80	109%
Other Revenue	-	-	-	-
Mitigation Fees & Interest		205.73	205.73	-
Grants	37,940.00		(37,940.00)	
Transfers & Loans			-	
<b>Total Revenue:</b>	<b>279,940.00</b>	<b>263,959.53</b>	<b>(15,980.47)</b>	<b>94%</b>

	Budgeted	Spent	Over/Under	% of Budget
Expenditures YTD thru 06/30/2018	297,940.00	157,929.39	(140,010.61)	53%
Revenue over Expenditures		106,030.14		

North County Fire Protection District  
For the Twelfth Month Ending June 30, 2018  
**100% of Budget**

COLOR KEY	
	Within/Below Budget
	Within 10% of Budget
	>10% of Budget (see notes)

Description	June Actual	Running Total	Annual Budget	Amount Remaining	% Used
<b>TOTAL PERSONNEL</b>	<b>1,525,419.70</b>	<b>13,800,957.30</b>	<b>13,681,230.00</b>	<b>(119,727.30)</b>	<b>100.9%</b>
101 Total Board Administration	4,241.73	151,832.38	170,822.00	18,989.62	88.9%
102 Total Administration	50,526.62	919,226.23	1,006,358.00	87,131.77	91.3%
103 Total Fire Prevention	2,318.68	48,983.63	77,978.00	28,994.37	62.8%
104 Total Emergency Services	3,254.75	267,940.62	265,293.00	(2,647.62)	*Note 1 101.0%
105 Total Emergency Med Svcs	13,697.22	192,650.54	169,638.00	(23,012.54)	*Note 2 113.6%
106 Total Reserves	2,784.00	17,477.20	5,500.00	(11,977.20)	*Note 3 317.8%
107 Total Communications	19,959.26	466,433.93	522,902.00	56,468.07	89.2%
108 Total Shop/Maintenance	30,183.89	285,903.47	277,430.00	(8,473.47)	103.1%
109 Total Training	8,872.62	81,289.08	101,500.00	20,210.92	80.1%
120 Total General Fund Reserve	-	500,000.00	690,000.00	190,000.00	72.0%
200 Total Capital Equipment	572,280.28	1,361,214.62	1,556,929.00	664,214.41	87.0%
<b>GRAND TOTAL</b>	<b>2,233,538.75</b>	<b>18,093,909.00</b>	<b>18,525,578.00</b>	<b>431,669.00</b>	<b>97.7%</b>

\*Note 1 Firefighting equipment (radiation detection monitors) reimbursable from SHSGP and emergency meals.

\*Note 2 EMS Vaults for controlled drugs.

\*Note 3 Single Role implementation cost.



NORTH COUNTY FIRE PROTECTION DISTRICT Tax Apportionments FY 17-18							
DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 17/18 NET	FY 17/18 RUNNING	FY 16/17 NET	FY 16/17 RUNNING
8/31/2017	1	209,859.07	1,331.86	208,527.21	208,527.21	201,672.85	201,672.85
9/30/2017	2	80,019.22	2,758.64	77,260.58	285,787.79	57,578.90	259,251.75
10/3/2017	3	155,732.37	14,642.08	141,090.29	426,878.08	146,620.09	405,871.84
10/31/2017	4	668,381.08	20,694.18	647,686.90	1,074,564.98	362,089.22	767,961.06
12/31/2017	5	4,518,752.27	10,442.82	4,508,309.45	5,582,874.43	4,460,789.45	5,228,750.51
1/31/2018	6	3,046,946.30	15,583.84	3,031,362.46	8,614,236.89	2,202,909.46	7,431,659.97
2/28/2018	7	353,683.03	4684.96	348,998.07	8,963,234.96	467,470.26	7,899,130.23
3/30/2018				-	-	-	-
4/30/2018	8	3,178,335.98	150,199.91	3,028,136.07	11,991,371.03	3,396,121.20	11,295,251.43
5/1/2018	9	154,343.32	7,425.81	146,917.51	12,138,288.54	1,588,550.67	12,883,802.10
5/29/2018	10	1,368,061.22	-	1,368,061.22	13,506,349.76	98,599.64	12,982,401.74
5/29/2018	11	229,874.47	11,147.07	218,727.40	13,725,077.16	221,071.59	13,203,473.33
6/19/2018	12	212,731.13	998.25	211,732.88	13,936,810.04	40,404.74	13,243,878.07
TOTAL YTD		14,176,719.46	239,909.42	13,936,810.04	13,936,810.04	13,243,878.07	13,243,878.07
Net Rev Increase							5.23%

**NORTH COUNTY FIRE PROTECTION DISTRICT**

**AMBULANCE REVENUE FY 2017-2018**

<u>MONTH</u>	<u>BILLED</u>	<u>CONTRACTUAL</u> <u>WRITE DOWNS</u>	<u>TOTAL</u> <u>AR</u> <u>FY 17-18</u>	<u>TOTAL</u> <u>AR</u> <u>FY 16-17</u>	<u>BAD DEBT</u> <u>WRITE-OFFS</u>	<u>REFUNDS</u>	<u>ADJ AR</u>	<u>DEPOSITS</u> <u>RECIEVED</u>	<u>BILLING</u> <u>FEES</u>	<u>FY 17-18</u> <u>NET REVENUE</u>	<u>FY 16-17</u> <u>NET REVENUE</u>
7/31/2016	467,059.46	240,104.83	226,954.63	194,455.68	40,150.48	2,862.45	183,941.70	156,437.77	9,026.20	147,411.57	129,619.78
8/31/2016	453,237.89	284,548.71	188,889.18	206,660.02	21,753.15	2,115.60	164,820.43	177,275.53	10,334.44	166,941.09	157,791.57
9/30/2016	421,143.85	248,376.87	172,766.98	174,865.48	45,354.95	2,392.24	125,019.79	138,051.92	8,563.92	129,488.00	130,898.93
10/31/2016	440,666.96	252,852.87	187,814.29	187,346.76	36,372.86	587.92	150,853.51	160,358.98	9,426.49	150,932.49	147,654.64
11/30/2016	402,180.53	238,396.02	163,784.51	150,270.24	52,526.63	-	111,257.88	153,215.83	9,025.61	144,190.22	151,019.87
12/31/2016	455,341.69	252,454.29	202,887.40	213,013.12	14,342.41	5,603.19	182,941.80	141,509.31	8,018.46	133,490.85	120,819.75
1/31/2017	409,782.32	224,196.26	185,566.06	239,099.75	21,786.92	4,124.39	159,674.75	178,078.47	10,263.29	167,815.18	152,777.01
2/28/2017	387,901.86	232,936.22	154,965.64	225,731.74	31,764.08	3,247.56	119,954.00	130,884.20	7,500.81	123,383.39	155,686.27
3/31/2017	449,679.24	241,124.75	208,554.49	176,896.05	16,695.04	4,796.44	187,063.01	125,069.79	7,096.13	117,973.66	144,172.28
4/30/2017	403,873.37	221,140.02	182,733.35	164,116.56	52,148.04	2,172.38	128,412.93	139,743.50	8,116.70	131,626.80	145,178.26
5/31/2017	426,617.14	232,298.71	194,318.43	149,843.13	37,661.27	129.67	156,527.49	161,899.36	9,450.60	152,248.76	159,911.80
6/30/2017	416,688.87	238,888.08	177,800.79	188,377.18	68,593.50	2,932.27	106,275.02	122,928.23	7,079.76	115,848.47	135,495.00
<b>TOTAL:</b>	<b>5,134,173.18</b>	<b>2,887,317.43</b>	<b>2,246,855.75</b>	<b>2,270,675.71</b>	<b>439,149.33</b>	<b>30,964.11</b>	<b>1,776,742.31</b>	<b>1,785,252.89</b>	<b>103,902.41</b>	<b>1,681,350.48</b>	<b>1,731,025.16</b>
					<b>Net A/R Change</b>		<b>-1.05%</b>			<b>New Revenue Change</b>	<b>-2.87%</b>

<p align="center"><b>NORTH COUNTY FIRE PROTECTION DISTRICT</b></p> <p align="center"><b>MONTHLY INVESTMENT REPORT</b></p>
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**June 30, 2018**

	<b>BALANCE</b>	<b>INTEREST</b>	
<b>FALLBROOK</b>		<b>RATE</b>	
County of San Diego/General Fund	1,659,190.80	0.01%	Operating
County of San Diego/Capital Reserve	381,517.91	0.01%	Capital Reserves
County of San Diego/Fire Mitigation Fund	960,861.19	0.01%	Mitigation Fees
Local Agency Investment Fund	19,205.45	0.78%	LAIF
Workers' Comp JPA	458,573.21	0.26%	PASIS Funds
Bank of America/PASIS	85,164.51	0.01%	
Petty Cash	500.00	0.00%	
First National/Benefit Fund	153,836.05	0.70%	
First National/Payroll	541,339.64	0.70%	
First National/Accounts Payable	432,908.79	0.69%	
First National/Accounts Receivable	119,148.78	0.69%	
Wells Fargo/Accounts Receivable	CLOSED	0.00%	Funds transferred to Pacific Western
Pacific Western Bank/Accounts Receivable	2,383,886.26	0.00%	
<b>TOTAL</b>	<b>7,196,132.59</b>		
<b>RAINBOW</b>			
County of San Diego/General Fund	601,108.15	0.01%	Operating
County of San Diego/Fire Mitigation Fund	3,820.39	0.01%	Mitigation
Petty Cash	-	0.00%	Funds placed in Pacific Western
<b>TOTAL</b>	<b>604,928.54</b>		

**NORTH COUNTY FIRE PROTECTION DISTRICT  
COST RECOVERY FY 2017/2018**

<u>Month</u>	<u>Billed</u>	<u>Collected</u>	<u>YTD % Collected</u>	<u>Billing Fees</u>	<u>Net Revenue</u>	<u>FY 16/17 Net Revenue</u>
7/31/2017	8,155.00	6,353.32	77.91%	1,270.66	5,082.66	4,877.13
8/30/2017	6,825.00	6,607.50	96.81%	1,321.50	5,286.00	7,592.08
9/30/2017	8,874.31	8,689.31	97.92%	1,737.86	6,951.45	3,060.00
10/31/2017	9,390.00	9,205.00	98.03%	1,841.00	7,364.00	6,328.47
11/30/2017	7,946.00	7,080.80	89.11%	1,416.16	5,664.64	1,616.00
12/31/2017	4,558.00	4,384.00	96.18%	876.80	3,507.20	8,474.40
1/31/2018	6,175.00	5,837.44	94.53%	1,167.49	4,669.95	5,840.00
2/28/2018	9,538.00	9,153.00	95.96%	1,830.60	7,322.40	5,802.69
3/31/2018	9,180.00	9,094.40	99.07%	1,818.88	7,275.52	6,444.74
4/30/2018	8,880.00	7,935.00	89.36%	1,587.00	6,348.00	7,562.00
5/31/2018	4,080.00	3,949.50	96.80%	789.90	3,159.60	5,310.45
6/30/2018	7,015.00	4,840.00	69.00%	968.00	3,872.00	6,474.10
<b>TOTAL:</b>	<b>90,616.31</b>	<b>83,129.27</b>	<b>91.74%</b>	<b>16,625.85</b>	<b>66,503.42</b>	<b>69,382.06</b>
					<b>Net Rev Increase</b>	<b>-4.15%</b>

therecoveryhub.com

RAINBOW FIRE PROTECTION DISTRICT Tax Apportionments FY 17-18							
DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 17/18 NET	FY 17/18 RUNNING	FY 16/17 NET	FY 16/17 RUNNING
8/31/2017	1	3,894.91	24.72	3,870.19	3,870.19	3,768.39	3,768.39
9/30/2017	2	1,484.96	51.18	1,433.78	5,303.97	1,075.88	4,844.27
10/3/2017	3	2,890.08	271.63	2,618.45	7,922.42	2,739.49	7,583.76
10/31/2017	4	12,403.72	400.98	12,002.74	19,925.16	6,726.65	14,310.41
12/31/2017	5	84,496.13	193.74	84,302.39	104,227.55	83,277.20	97,587.61
1/31/2018	6	56,022.39	287.67	55,734.72	159,962.27	41,796.29	139,383.90
2/28/2018	7	6,467.59	86.70	6,380.89	166,343.16	8,672.05	148,055.95
3/30/2018				-	166,343.16	-	148,055.95
4/30/2018	8	58,981.51	2,793.25	56,188.26	222,531.42	63,603.65	211,659.60
5/1/2018	9	2,435.10	137.51	2,297.59	224,829.01	30,339.83	241,999.43
5/29/2018	10	25,442.75	-	25,442.75	250,271.76	1,832.79	243,832.22
5/29/2018	11	5,319.77	206.46	5,113.31	255,385.07	4,105.73	247,937.95
6/19/2018	12	3,914.89	18.40	3,896.49	259,281.56	751.62	248,689.57
TOTAL YTD		263,753.80	4,472.24	259,281.56	259,281.56	248,689.57	248,689.57
						Net Rev Increase	4.26%

**North County Fire Protection District**

**For the Eleventh Month Ending June 30, 2018**

Account	May	2017-2018		Amount Remaining	% Used
		Actual	Running Total		
Rainbow General Fund					
11-000-0-5010-09-000		-	-	41,250.00	0%
11-000-0-5050-00-000		-	11,070.65	23,290.00	48%
11-000-0-5060-27-000		-	-	300.00	0%
11-000-0-5080-00-000		-	-	4,000.00	0%
11-000-0-5100-42-000		-	-	15,200.00	0%
11-000-0-5100-44-000		-	26,800.00	28,000.00	96%
11-000-0-5120-52-000		-	6,832.02	13,000.00	53%
11-000-0-5120-54-000	557.49		6,887.30	10,000.00	69%
11-000-0-5120-69-000	456.00		6,354.20	8,000.00	79%
11-000-0-5130-00-000	454.93		9,817.82	7,500.00	131%
11-000-0-5170-72-000	6.21		13,267.48	1,300.00	1021%
11-000-0-5180-91-000	161.63		211.63	1,000.00	21%
11-000-0-5220-00-000			99.03	4,000.00	2%
11-000-0-5221-00-000			24,789.95	3,000.00	826%
11-000-0-5230-30-000			-	4,500.00	0%
11-000-0-5230-37-000			-	12,000.00	0%
11-000-0-5230-37-001			15,996.10	15,000.00	107%
11-000-0-5240-38-000			279.90	500.00	56%
11-000-0-5260-23-000	301.66		1,745.27	1,800.00	97%
11-000-0-5260-26-000	27.20		337.19	3,500.00	10%
11-000-0-5270-00-000	2,083.33		24,999.96	25,000.00	100%
11-000-0-5340-00-000	13.85		2,949.46	3,000.00	98%
11-000-0-5400-00-000	-		-	10,000.00	0%
Total Rainbow General Fund				235,140.00	65%



**North County Fire Protection District**

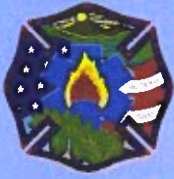
**For the Eleventh Month Ending June 30, 2018**

Account	May	2017-2018		Amount Remaining	% Used
	Actual	Running Total	Annual Budget		
Rainbow Capital Fund					
11-200-0-5370-00-386		-	-	6,000.00	0%
11-200-0-5370-00-387		-	-	5,000.00	0%
11-200-0-5420-00-000		-	-	38,800.00	0%
11-200-0-5500-02-000		-	3,724.45	5,000.00	74%
11-200-0-5500-03-000		-	-	-	0%
11-200-0-5500-04-000		-	-	5,000.00	0%
11-200-0-5500-06-000		-	1766.98	1,233.02	59%
Total Rainbow Capital Fund		0.00	5,491.43	62,800.00	9%
GRAND TOTAL					
	\$	4,062.30	\$ 157,929.39	\$ 297,940.00	\$ 140,010.61
					53.01%

Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
6/1/2018	STMT 06/2018	Harry J. Wilson Insurance Center	06/01/2018-06/30/2018	1,143.00
6/1/2018	STMT 06/2018	MYERS-STEVENSON & CO. INC.	LTD 06/2018	632.50
6/1/2018	80421940	BC BS Medicare Advantage	Ambulance refund	12.55
6/1/2018	18NOCFPDN11	COUNTY OF SAN DIEGO - RCS	Fire radios 05/2018	5,830.00
6/1/2018	376H1B5X108001	Molina Healthcare	Ambulance refund	196.10
6/1/2018	SD8058 ALLAN AVIAR	Rural Metro	Ambulance refund	1,387.24
6/1/2018	0417565060118	TIME WARNER CABLE	06/11/18-7/10/18	64.98
6/1/2018	A823502962	UNITED HEALTHCARE INSURANCE	Ambulance refund	1,336.38
6/1/2018	BRM RENEW 18-19	US POSTAL SERVICE	BRM Permit renew 06/2018-19	225.00
6/1/2018	9808165072	VERIZON WIRELESS	05/02/18-06/01/18	77.62
6/1/2018	CELL TOWER RENEGOTIA	SteepSteel, LLC	Cell TowerContract negotiation	350.00
6/1/2018	IN366239	Lubrication Engineers	Lube	393.65
6/1/2018	82513	UNIFORM SPECIALIST/ACE UNIFORMS	E. Meyers uniform	195.75
6/2/2018	34339465659	DIRECTV	06/01/18-06/30/18	144.98
6/2/2018	093498865	XEROX - PASADENA	Pro-rated xerox	7.18
6/2/2018	093498866	XEROX - PASADENA	Pro-rated	162.63
6/4/2018	5/4/18-6/4/18	FALLBROOK PUBLIC UTILITY DISTR	05/04/18-06/04/18	289.87
6/4/2018	05/04/18-06/04/18	FALLBROOK PUBLIC UTILITY DISTR	5/4/18-6/4/18	291.05
6/4/2018	82574	UNIFORM SPECIALIST/ACE UNIFORMS	G. Wilson uniform	473.92
6/5/2018	FL9180	FOLSOM LAKE FORD	2018 Explorer	42,921.23
6/5/2018	82631	UNIFORM SPECIALIST/ACE UNIFORMS	D. Walker uniform	195.75
6/6/2018	0136237-IN	ENTENMANN-ROVIN CO.	Fire Prev Specialist badge	109.84
6/7/2018	INSTALL OFFICERS2018	SDCFCA	Installation of Officers 2018	60.00
6/7/2018	17962	Advanced Communication Systems, Inc.	(2) Kenwood DC Cable	217.64
6/7/2018	17966	Advanced Communication Systems, Inc.	Repair Kenwood Mobile radio	400.75
6/7/2018	58675330	Linde Gas North America LLC	Oxygen refill	138.81
6/7/2018	610213	SAVMART PHARMACEUTICALS, INC	Medical supplies	620.40
6/7/2018	82695	UNIFORM SPECIALIST/ACE UNIFORMS	C. Reth uniform	95.20
6/8/2018	3134295	24 Hour Fire Protection	Fire Sprinkler Sta. 2	400.00
6/8/2018	PR AP 06/08/18	LINCOLN NATIONAL	Lincoln Pmt - PR 06/08/18	3,431.92
6/8/2018	PR AP 06/08/18	FALLBROOK FIREFIGHTERS' ASSN	FFA Dues for PR 06/08/18	2,572.52
6/8/2018	PR AP 6/8/18	FALLBROOK FIREFIGHTERS' ASSN	FBK FFA (SR) - PR 06/08/18	19.89
6/8/2018	PR AP 06/08/18	FIREFIGHTERS LEG. ACTION GRP	FLAG PMT - PR 06/08/18	96.00
6/8/2018	PR AP 06/08/18	NORTH COUNTY FIRE RESERVES	SR DUES - PR 06/08/18	39.78
6/8/2018	LOCK PICKING	MATHIEU LINDSEY	Lock picking class	130.00
6/8/2018	06/09/18-07/08/18	AT&T U-VERSE	06/09/18-07/08/18	162.06
6/10/2018	433020226	NIGEL FRANK INT'L USA	GP consultant	325.00
6/10/2018	05/11/18-06/10/18	RAINBOW MUNICIPAL WATER DIST	05/11/18-06/10/18	14.81
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
6/10/2018	05/11/18-06/10/18-00	RAINBOW MUNICIPAL WATER DIST	05/11/18-06/10/18	198.93
6/10/2018	05/11/18-06/10/18-02	RAINBOW MUNICIPAL WATER DIST	05/11/18-06/10/18	140.00
6/10/2018	0000240061018	TIME WARNER CABLE	06/20/18-07/19/18	149.95
6/11/2018	R10981	VALLEY POWER SYSTEMS, INC	Cam assy/seals/gaskets	2,937.12
6/11/2018	R10984	VALLEY POWER SYSTEMS, INC	Screw assy/hose/bolt	1,211.91
6/11/2018	17972	Advanced Communication Systems, Inc.	Kenwood Pins	220.61

6/11/2018	215979	Fowler Pest Control	Pest control RNBW	90.00
6/11/2018	215981	Fowler Pest Control	Pest control Admin	90.00
6/11/2018	215982	Fowler Pest Control	Pest control Sta 2	90.00
6/11/2018	215980	Fowler Pest Control	Pest control Sta. 4	90.00
6/11/2018	82783	UNIFORM SPECIALIST/ACE UNIFORMS	B. McReynolds uniform	95.20
6/12/2018	223363-00	Day Wireless Systems	Cable, CH Power & Speaker	38.33
6/12/2018	S-430	ROBERT DeCAMP II	S-430	275.00
6/12/2018	HUM1020	ROBERT DeCAMP II	HUM1020	783.00
6/12/2018	R28865	FALLBROOK SMOG	New Amb. smog test	58.00
6/12/2018	GIS TRAIN 2018	Dustin Glasgow	GIS Training Hotel/Flt	413.96
6/12/2018	1207239790	Citrix Systems, Inc	06/12/18-07/11/18	117.00
6/12/2018	128957	Global CTI	Internet support	134.48
6/12/2018	610301	SAVMART PHARMACEUTICALS, INC	Medical Supplies	34.89
6/12/2018	INV024353	Sacramento Metropolitan Fire District	FY16/17 GEMT Admin Fee	897.13
6/12/2018	76927380	SAFETY-KLEEN CORP	Extraction service	264.43
6/13/2018	MEDIC RECERT 18-20	Sam Russell	Medic recert 18-20	242.50
6/13/2018	IT-331	Charlie Swanger	IT-331	769.50
6/13/2018	093539917	XEROX - PASADENA	05/14/18-5/30/18	337.97
6/14/2018	772	California Auto Registration Services	DMV Fees - 2018 Ambulance	49.00
6/14/2018	3020200400	PARKHOUSE TIRE, INC.	Tires	608.50
6/15/2018	STMT 06/15/18	LEGAL SHIELD	Stmt	732.75
6/15/2018	STMT 06/15/18	FALLBROOK OIL COMPANY	Fuel 06/01/18-06/15/18	3,015.66
6/15/2018	462523	TIME CLOCK PLUS	Time Clock Annual 06/18-06/19	5,671.00
6/17/2018	97610	DIGITAL DEPLOYMENT, INC.	Web support 06/2018	275.00
6/17/2018	05/18/18-06/17/18	RAINBOW MUNICIPAL WATER DIST	05/18/18-06/17/18	22.95
6/17/2018	5/18/18-6/17/18	RAINBOW MUNICIPAL WATER DIST	05/18/18-06/17/18	1,063.66
6/18/2018	MEDIC RECERT 18-20	JOSEPH BRADSHAW	Medic recert 18-20	242.50
6/18/2018	FSC4631	Sam Russell	FSC4631	783.00
6/19/2018	X914057 AMB TAX	DMV	Ambulance Tax	16,313.00
6/19/2018	FSC4610	BRIAN MACMILLAN	FSC4610	696.00
6/19/2018	FSC4610	GREG MANN	FSC4610	783.00
6/19/2018	PERS LOAN OVER	STEVE MAROVICH	S. Marovich overpymt	375.98
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
6/19/2018	37865	FALLBROOK PROPANE GAS CO.	Sta 4 propane	284.58
6/20/2018	23614	FALLBROOK MUFFLER	Muffler repair	73.87
6/20/2018	34495026	Arrow Pipeline Repair, Inc.	Sta. 5 kitchen sink drain	199.00
6/20/2018	1317	Fallbrook Locksmith	Sta. 5 Fix panic doors	95.00
6/20/2018	5/24/18-6/20/18-001	FALLBROOK PUBLIC UTILITY DISTR	05/24/18-06/20/18	535.32
6/20/2018	STMT 6/20/18-000	FALLBROOK PUBLIC UTILITY DISTR	05/24/18-06/20/18	51.04
6/20/2018	9809428558	VERIZON WIRELESS	05/21/18-06/20/18	423.14
6/20/2018	9809428557	VERIZON WIRELESS	05/21/18-06/20/18	1,210.23
6/21/2018	18026	WILDFIRE INFORMATION CONSULTING	06/21/18-06/21/18	1,520.49
6/22/2018	10103	State of California	Payment #4	6,287.70
6/22/2018	10114	State of California	Payment #6	17,703.73
6/22/2018	PR AP 6/8/18	LINCOLN NATIONAL	LINCOLN PMT - 6/22/18	3,440.63
6/22/2018	PR AP 06/22/18	FALLBROOK FIREFIGHTERS' ASSN	FFA DUES 6/22/18	2,572.52
6/22/2018	PR AP 6/22/18	FALLBROOK FIREFIGHTERS' ASSN	FFA DUES - SR 6/22/18	22.23

6/22/2018	PR AP 06/22/18	FIREFIGHTERS LEG. ACTION GRP	FLAG PMT 6/22/18	96.00
6/22/2018	PR AP 06/22/18	NORTH COUNTY FIRE RESERVES	SINGLE ROLE DUES 6/22/18	44.46
6/22/2018	08F0030618029	READY FRESH	05/21/18-06/20/18	232.24
6/22/2018	08F9901381948	READY FRESH	05/21/18-06/20/18	38.78
6/22/2018	08F0030602940	READY FRESH	05/21/18-06/20/18	7.53
6/22/2018	5/21/18-6/20/18-871	SDG&E	05/21/18-06/20/18	25.52
6/25/2018	SD MEDIC RENEW 18-20	Erik Alter-Reitz	Reitz Medic cert 18-20	42.50
6/25/2018	STMT 06/25/18	PINE TREE LUMBER	MX supplies	239.89
6/25/2018	5/22/18-6/21/18-183	SDG&E	5/22/18-6/21/18	55.97
6/26/2018	TECH ROPE RESCUE	SPENCER, CHAD	Rope Rescue Technician class	740.00
6/26/2018	433020742	NIGEL FRANK INT'L USA	GP consulting	130.00
6/26/2018	433020852	NIGEL FRANK INT'L USA	GP Consulting	325.00
6/26/2018	5/23/18-6/22/18-533	SDG&E	05/23/18-06/22/18	14.74
6/26/2018	5/23/18-6/22/18-080	SDG&E	05/23/18-6/22/18	127.84
6/27/2018	ENG1020	Matt Anderson	ENG1020	783.00
6/28/2018	5077	SCOTT'S ULTRA CLEAN	Water extract/cleaning Sta 5	175.00
6/29/2018	PYMT 15 OF 40	City National Bank	Sta. 5 Loan Pymt 15 of 40	91,369.33
6/29/2018	PUB 05/31-6/7/18	Reeder Media	Public notice for hearing	200.00
6/30/2018	APR-JUN 2018	STEVE ABBOTT	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	JOHN BUCHANAN	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	Patty Koch	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	KEVIN MAHR	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	STEVE MAROVICH	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	KEITH MCREYNOLDS	CELL REIMB	300.00
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
6/30/2018	APR-JUN 2018	LOREN STEPHEN-PORTER	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	GREG WILSON	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	Nancy Goss	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	Cherie Juul	CELL REIMB	204.00
6/30/2018	APR-JUN 2018	DAN NIETO	CELL REIMB	204.00
6/30/2018	APR-JUN 2018	Todd Parmelee	CELL REIMB	204.00
6/30/2018	APR-JUN 2018	DELGADO, DANNY	CELL REIMB	204.00
6/30/2018	APR-JUN 2018	Charlie Swanger	CELL REIMB	204.00
6/30/2018	APR-JUN 2018	FRED SCHOENHEIT	CELL REIMB	300.00
6/30/2018	APR-JUN 2018	BARRY KRUMWIEDE	CEL REIMB	300.00
6/30/2018	APR-JUN 2018	AARON MURG	CELL REIMB	204.00
6/30/2018	DEH2014-HUPFP-000855	CO. OF SAN DIEGO, DEH	Sta5 Facility Permit 6/18-6/19	625.00
6/30/2018	FIRE ACADEMY 1/2017	BRAEDEN HUCKS	Basic Fire Academy - Hucks	1,250.00
6/30/2018	STMT 6/30/18	D.F. Cleaning Service	Admin Janitorial 06/2018	400.00
6/30/2018	201718-185	NORTH COUNTY DISPATCH JPA	FY17/18 - Q4 IT support	13,293.50



**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS

**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO

**DATE:** JULY 24, 2018

**SUBJECT:** APPROVAL OF POLICIES AND PROCEDURES

The following Policies and Procedures are being presented for review and approval:

1. None.

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## NORTH COUNTY FIRE PROTECTION DISTRICT OPERATIONS

**TO:** Board of Directors  
**FROM:** Operations/EMS Division  
**DATE:** Tuesday, July 24, 2018  
**SUBJECT:** Customer Satisfaction Survey Program, 2018 – 2<sup>nd</sup> Quarter Results

### CONSENT AGENDA

#### RECOMMENDATION:

Review the report as submitted. In looking at the overall percentage of satisfaction with our service, our customers continue to rate their level of satisfaction overwhelmingly in the "excellent" category.

#### BACKGROUND:

This report focuses on two areas, direct feedback based on surveys sent to patients transported by North County Fire and our Service/Sympathy card Program. The distribution of the survey is based on the 2018 Payer Class percentages according to our ambulance billing company, Wittman Enterprises. This quarter's customer satisfaction results incorporate surveys received from Apr 1, 2018 through June 30, 2018. The following is a listing of the type and number of individual payer classes that are randomly mailed surveys on a monthly basis.

2018 Payer Class	
Private Commercial Insurance (includes Champus/Active Duty)	26
Medi Cal	10
Medicare (includes Senior HMO)	54
Cash	10
<b>Total</b>	<b>100</b>

#### DISCUSSION:

The survey results are reported on quarterly intervals to all safety employees. The sharing of this information with all employees provides a heightened awareness regarding our customer's experience in the field. If a system or human deficiency trend is noted, the management staff will coordinate any measures necessary to correct the problem.

## Customer Satisfaction Survey Program

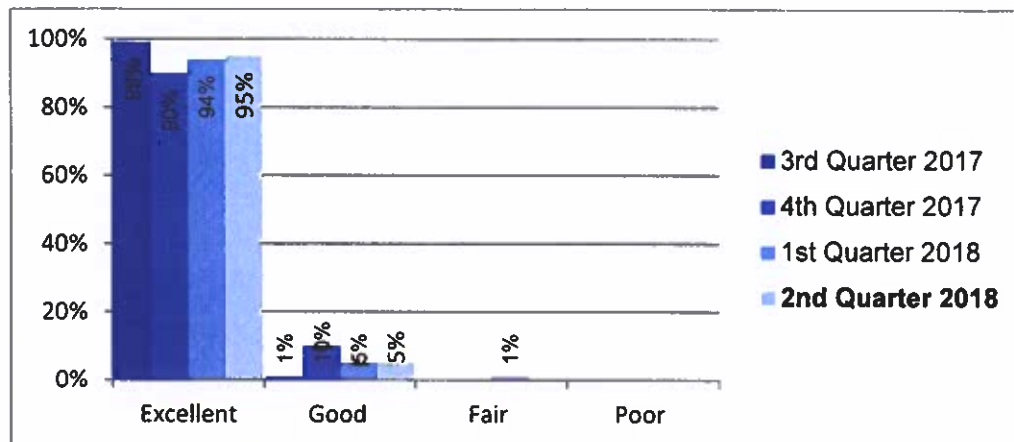
Tuesday, July 24, 2018

Page 2 of 3

The first section of the *Satisfaction Survey Form* evaluates the customer's overall satisfaction with our service by rating it from "Excellent" to "Poor." The second section of the form allows the customer to provide comments on their perception of the service they received. This quarter 300 surveys were mailed and 66 surveys were returned (22%).

Ninety five percent (95%) of the surveys returned indicated "excellent" customer satisfaction as indicated on the chart below:

### 2017-18 Customer Satisfaction Results



The customer comment portion of the survey has proven to be most effective by allowing us to hear the customer's opinions or concerns first hand, thus allowing us to mitigate any problems as quickly as possible. These comments are reported on *Attachment-A* of this report.

In order to maintain Continual Quality Improvement (CQI) for this Program, the responses are reviewed for any unusual comments or areas of concern. When necessary, incident documents will be reviewed. If a poor rating or adverse report is noted, the EMS Chief reaches out to seek clarification and ultimately improve services. If indicated, this review may warrant further investigation or training to mitigate potential customer service issues.

### SERVICE/SYMPATHY CARD PROGRAM:

The District continues to utilize a Service/Sympathy Card Program to promote excellence in our emergency delivery services. This particular Program allows our firefighters to correspond with our customers by personally signing and mailing "Service Cards." This post-incident Program has proven invaluable in maintaining a positive relationship with our community through personal contact between our firefighters and the customers they serve. The "Sympathy Cards" are utilized in the same way by corresponding concern with a deceased patient's family.

**Customer Satisfaction Survey Program**  
**Tuesday, July 24, 2018**  
**Page 3 of 3**

The following data identifies the total number of Service and Sympathy cards completed by each crew during this report's time frame:

	<b>"A" CREW</b>	<b>"B" CREW</b>	<b>"C" CREW</b>	<b>TOTAL</b>
<b>2<sup>nd</sup> Q 2018</b>	195	116	154	465
<b>1<sup>st</sup> Q 2018</b>	100	118	132	350
<b>4<sup>th</sup> Q 2017</b>	157	158	179	494
<b>3<sup>rd</sup> Q 2017</b>	198	203	184	585

The above numbers represent 42% of total cards sent by A Shift, 25% of total cards sent by B Shift and 33% of total cards sent by C Shift.

**FISCAL ANALYSIS:**

The increased use of Service Cards has contributed to increased expenditures in both printing and postage. Annually, the Program costs approximately \$2,000.00 to operate. It is our belief that enhanced public relations and the benefits these cards represent is worth the expenditure.

**SUMMARY:**

The North County Fire Protection District takes seriously the demeanor and professional conduct of its employees while providing emergency services. Our Customer Survey Program provides a tool to measure and quantify this area and if necessary, implement and/or modify the emergency delivery system to ensure its ability to meet customer expectations. This Program, which is now in its fifteenth year, consistently reflects a high degree of satisfaction with the services delivered by the employees of the North County Fire Protection District, beginning from the request for service up to and including final mitigation of the incident.





North County Fire Protection District  
Customer Satisfaction Survey  
Second Quarter 2018  
April-June  
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
18-02-01	04/02/2018		Excellent – no suggestions.
18-02-02	04/04/2018		Excellent.
18-02-03	04/04/2018		Thank you very much for your service for my husband. I thought all were very helpful in transporting him to hospital and then back home.
18-02-04	04/05/2018		They arrived right away and handled the situation perfectly. They made me feel at ease as they took control. I felt safe and comfortable. Thank you so much.
18-02-05	04/05/2018		Excellent
18-02-06	04/09/2018		The crew was extremely knowledgeable and courteous. They did everything possible and contributed along with the other professionals to saving my life. I couldn't be happier with the team, they do Fallbrook proud!
18-02-07	04/09/2018		Excellent
18-02-08	04/24/2018		Responded quickly, very pleasant attitude, made me feel everything was ok.
18-02-09	04/25/2018		Excellent
18-02-10	04/25/2018		Everything was fine, my mother was treated well and her ride to the hospital was comfortable.
18-02-11	04/26/2018		Thank you for your prompt response. You saved my husband's life.
18-02-12	04/28/2018		Very good 911 assistance! Made me feel relaxed. Quick service!
18-02-13	04/30/2018		No suggestions. The gentlemen were all very professional & compassionate.
18-02-14	04/30/2018		The crews were professional, courteous and responded quickly & efficiently to the calls and to my mom's needs. Unfortunately, my mom passed away, but she told me how grateful she was for the young men who helped her. Huge THANK YOU!
18-02-15	05/01/2018		I am his wife. I only gave "good" instead of "excellent" because he called because of his head. He had to pull over on freeway, call 911, but the paramedics asked if he could walk from his truck to the ambulance which was difficult for him. He said he almost didn't make it. Otherwise the response time was excellent. Thank you for your help.
18-02-16	05/02/2018		I have spoken highly of the paramedics who helped me with my motorcycle accident. They were 100% professional, very personable and they made me feel very comfortable. They even sent me a thank you card. Great job! Keep up the good work!
18-02-17	05/02/2018		Translated from Spanish – "I needed the help of the ambulance because I "KAI" (no translation for KAI).
18-02-18	05/08/2018		Excellent
18-02-19	05/10/2018		Excellent
18-02-20	05/10/2018		Both people in the ambulance on way to hospital worked as a team. I was having a Gall bladder attack didn't know if it was heart attack or what. They had the Zofran & checked my heart. Within minutes I felt better. God bless you and your helpers. I'm ok, no surgery.





North County Fire Protection District  
Customer Satisfaction Survey  
Second Quarter 2018  
April-June  
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
18-02-21	05/11/2018		My husband made the 911 call because he felt I was hallucinating following 12 hours of vomiting & diarrhea. I wasn't really aware of what was happening. Shortly after the paramedics arrived I was hooked up to IV hydration and my head began to clear. I was taken to Palomar E.R. The paramedics stayed with me until I had been placed on a hospital bed. They made me feel very secure & well cared for.
18-02-22	05/11/2018		The fire department arrived within minutes of our call for assistance. The firemen were very efficient, caring & thorough. We are fortunate to have such a great fire department serving our village community!! Thank you!!
18-02-23	05/15/2018		Service was perfect!! Very professional. Couldn't be better.
18-02-24	05/21/2018		Excellent
18-02-25	05/22/2018		Excellent -- no suggestions.
18-02-26	05/22/2018		My treatment by your personnel was absolutely perfect. Very competent and caring.
18-02-27	05/22/2018		Thank you for your prompt, speedy response to my husband's cardiac condition. Everyone was very competent and caring. Good to know you are so close.
18-02-28	05/22/2018		These are good men who know their business.
18-02-29	05/22/2018		Excellent
18-02-30	05/22/2018		Showed up quickly. Acted professionally. Took good care of my father. Answered questions. Asked us where we wanted them to take him.
18-02-31	05/23/2018		Attentive & concerned for my comfort. I was administered a pain medication. Overall, very good service.
18-02-32	05/23/2018		I'm 88 & was alone. I called 911 & was having pain in my chest & very tired. I have A-fib & so I decided not to wait. They arrived in minutes & I got all my meds & information they would need. I felt very sure they would be here in minutes. They arrived & took me to Palomar hospital. They were excellent and I thank all of them. They stayed with me until I could get a room as the ER as usual was very busy. I know if I need them, they will be here for me.
18-02-33	05/23/2018		I live at (address). You really helped my husband when he fell several times. He broke his neck.
18-02-34	05/23/2018		We were very impressed with the quick response time & thoughtful personnel who helped my father. He passed away after a second stroke. Our thanks to the crew who helped us!
18-02-35	05/23/2018		**SEE LETTER (Attachment B)
18-02-36	05/24/2018		Excellent
18-02-37	05/25/2018		The medics were kind, patient and understanding. I like that they stayed with me during the hand off to ER & explained what was going on. They treated me better than ER staff.
18-02-38	05/25/2018		We experienced prompt, courteous and professional service.
18-02-39	05/25/2018		Very impressed with dedication of your response team. All so nice, picking me up and taking me to TVH. A billing error needed to be corrected though. We are so glad to have you help in our time of need. Thank you!





North County Fire Protection District  
Customer Satisfaction Survey  
Second Quarter 2018  
April-June  
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
18-02-40	05/29/2018		The men arrived so quickly that I thought they must have been nearby. They were calm and professional as they took care of my husband & asked me questions. They spoke to my husband directly yet kindly & overall made a very stressful situation for me calmer than I could have imagined. Thank you so much!
18-02-41	05/30/2018		Superb
18-02-42	06/01/2018		I cant say enough good things about the fire department. You've visited my dear wife on a number of occasions over the past several years. You have assisted her promptly and highly professionally transporting her to TVH which in turn alleviated us from a long and painful wait in the emergency department. Thank you for being there for us.
18-02-43	06/02/2018		I have nothing but good things to say about our experience. I am extremely grateful for helping my daughter. Thank you!
18-02-44	06/04/2018		Your "team" served my wife very well in a time of urgency and stress! Thanks for the professionalism.
18-02-45	06/07/2018		Great experience - everyone was calm, kind and reassuring and that was very comforting for me during such a scary time. PS (patient) is healthy & happy & home. Thank you!
18-02-46	06/08/2018		Prompt and great service
18-02-47	06/14/2018		Thank you for helping me
18-02-48	06/19/2018		This is the first time I called 911. Response time was fast & the first responders were professional & attentive.
18-02-49	06/19/2018		Their performance was excellent, with minimal or no delay. Thank you for your service.
18-02-50	06/19/2018		The dispatcher was calm and helpful. The EMT gentlemen were all very efficient, courteous, kind & caring. Only difficulty was that for some reason their electronic devices weren't communicating with each other so there was some duplication of fact gathering. Overall, I could not be more satisfied with the excellent care I received. Thanks!!
18-02-51	06/19/2018		Quick response. Thank you
18-02-52	06/19/2018		Great job! Told me to take my time getting to the hospital. Thank you for being there.
18-02-53	06/20/2018		Your paramedics did an outstanding job transporting my wife to TVH. It was necessary to take the gurney down a narrow staircase and they were able to accomplish this without making my wife uncomfortable. Many thanks to your staff and organization as we are so grateful to have you available, particularly after losing 1 hospital. Thanks again.
18-02-54	06/20/2018		Excellent and very caring young men.
18-02-55	06/20/2018		Excellent
18-02-56	06/20/2018		Excellent
18-02-57	06/21/2018		Thank you for your service. Your team was prompt, courteous, calm and as far as I know, well trained. There was no apparent reason for whatever happened, all tests were negative and I survived. Thanks again.
18-02-58	06/21/2018		I believe this was for medical transport on (date) although its not spelled out here. If so, then yes the service was very good and much appreciated.





North County Fire Protection District  
Customer Satisfaction Survey  
Second Quarter 2018  
April-June  
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
18-02-59	06/21/2018		Every time we called 911 the men were absolute pros. Give them all a raise in salary.
18-02-60	06/21/2018		The guys were excellent paying attention to every detail. Thank you
18-02-61	06/22/2018		Thank you for your quick response, keep up the good work. Thank you very much.
18-02-62	06/22/2018		Quick & professional.
18-02-63	06/23/2018		Excellent
18-02-64	06/23/2018		Excellent
18-02-65	06/23/2018		Good experience
18-02-66	06/23/2018		I don't have any suggestions for improvements. The four young men who scooped me up from my friend's backyard in Fallbrook were very kind, considerate and caring. They took me to Palomar Hospital where I had a partial hip replacement.

5.23.18

**NORTH COUNTY FIRE PROTECTION DISTRICT**  
**330 S. Main Avenue, Fallbrook, CA 92028**  
**(760) 723-2005**

18.02.35

**CUSTOMER SATISFACTION SURVEY**

INCIDENT #: 2018-026976

Recently you dialed 911 because you or your family required the assistance of the Fire Department. North County Fire Protection District takes pride in the service we provide to you and to the community. We are constantly seeking ways to improve service to our customers. To assist us, we ask that you take a few minutes of your time to let us know about your experience. If you would like to contact us regarding our service, please call the Operations Division at (760) 723-2033.

Please rate your overall satisfaction with the Fire Department on this incident.

Excellent



Good



Fair



Poor



Please take this opportunity to discuss your experience with the fire department on this incident. Do you have any suggestions for improvement?

(SEE ATTACHED)

Please fold and place in the enclosed envelope. No postage is required.

May 22, 2018

18-02-35  
(x2)  
PB.

North County Fire Protection District  
330 South Main Avenue  
Fallbrook, CA 92028-2938

Dear North County Fire Protection District

In answer to your questionnaire regarding Incident # 2018-026976, I have no suggestions for improvement, but I would like to thank North County Fire for helping to (I believe) save my life. On April 18 – 3 days after retiring – I severely split the top of my head in a fall. A subsequent investigation by my family found that I had fallen while cutting a rose for my wife, and had (somehow!) struck the top of my head on the edge of the sidewalk. I spent an unknown amount of time bleeding on the lawn (the grass is quite green in that spot now) before I somehow made it to the shower. It was while taking a shower that I discovered the injury, and immediately called 911 due to what seemed copious blood loss. I was transported to a Trauma Unit at Palomar, was patched up and eventually sent home later that night.

Between the Sheriff's Department and Escondido PD, I have spent 8 years as a law enforcement chaplain, and have had the privilege of spending many hundreds of hours on ride-alongs, watching PD and FD personnel respond to emergencies. But this is the first time I was the subject of such an emergency, and I must say that it has given me a new perspective on First Responders and the excellence of the 911 system in our area. Additionally, your crews are simply amazing, and I am humbled to have been the recipient of such training and professionalism. And to then receive a card wishing me well was just icing on the cake!

Please thank the amazing Dispatcher who walked me through the process until the units arrived (I know they don't always hear how cases turn out), and please thank the men of Station 5 C Shift: E112 (Tony, Sam and Dustin) and RA 115 (Jorge and Tyler). My wife, kids and grandkids are happy to still have me around, and I'm pretty happy about it too.

God bless.

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## NORTH COUNTY FIRE PROTECTION DISTRICT TRAINING DIVISION

**TO:** BOARD OF DIRECTORS  
**FROM:** B/C MCREYNOLDS  
**DATE:** JULY 24, 2018  
**SUBJECT:** 2018 TRAINING PROGRESS REPORT

### **CONSENT AGENDA**

#### **RECOMMENDATION:**

Board information only, no action required.

#### **BACKGROUND:**

The purpose of the District's training program is to ensure a state of readiness and to prepare our personnel with the skills and knowledge necessary to respond and perform both emergency and non-emergency operations effectively, efficiently and safely.

Minimum established monthly training hours for Safety members (20 hours) meet requirements established by the Insurance Services Office (ISO) and industry standards. In addition, the Training Program ensures compliance with various local, state and federal mandates regarding training of emergency personnel. Currently, the Volunteer firefighting force is required to maintain a minimum of ten (10) hours per month.

#### **DISCUSSION:**

The NCFPD Training Division continues to serve all the various ranks and groups in the District. Chief Officers, Captains, Engineers, Firefighters, Volunteer Firefighters, Single



Role EMT's and Medics, Support Staff, and Office Staff all receive training on various levels. We not only provide and support in-house training, but a considerable amount of external training such as the North Zone Fire Explorer Academy, the Palomar College Fire Academy, North Zone Training, Regional Training, Cadre Training, Formal Education and the National Fire Academy (NFA). We currently have more employees who hold bachelor's degrees than ever before.





During the first half of 2018 we have continued to coordinate training throughout North County that covers a wide array of skills from Hazardous Materials Response, to Trench Rescue, to Live Fire Training. These advanced technical skills our people hold not only serve the district and zone but also the State of California through overhead and strike team assignments.

We utilize neighboring Training Towers as well as sites within our District for training that ranges from structural fire attack to high-angle rope and other technical rescues. Many of these drills are scenario based that require crews to function both individually and as a team meeting local and state standards. In addition to training, we participated in the North Zone Engineers and Captains Promotional Exams in spring of 2018.

Emergency Medical training also remains a high priority to keep our personnel highly trained in life saving skills. Not only do we continue to train on county protocols and skills,



but we continue to train our medical professionals with basic and advanced life support training such as Pediatric Advanced Life Support (PALS) and cutting-edge training such as Advanced Respiratory Training (ART).

Community Outreach Education is also something that we engage in. North County Fire continues to be one of the county leaders in terms of the number of people trained in Sidewalk CPR. This year bilingual speakers were added to storefronts to reach our Spanish speaking community.

Much of the in-house training that occurs is the result of the dedication and hard work of the various training cadres that have emerged within our organization. I would like to recognize the following groups for their efforts during 2018:

**Wildland**

Capt. Rob DeCamp  
Capt. Chris Mattarollo  
FF Bruce Moore

**Rope Rescue**

Capt. Joey Bradshaw  
Eng. Sam Russell  
FF Tyler Ruiz

**Auto Extrication**

Capt. Joel Hammer  
Eng. Matt Lindsey  
FF Joe Harlin



**Training Report**  
**July 24, 2018**  
**Page 3 of 3**

**Truck Operations**

Capt. Ryan Garing  
 Eng. Danny Sahagun  
 Eng. Matt Lindsey  
 Eng. Collin Baker

**Live Burn**

Eng. Danny Sahagun  
 Eng. Sam Russell  
 FF Rob Hager

**EMS**

MSO Mike Gurney  
 Capt. Brian MacMillan  
 Eng. Matt Lindsey  
 Eng. Dave Helman  
 FF Josh Kortekaas

**Single Role**

Eng. Collin Baker

**Explorers**

FF Rob Hager  
 FF Dennis Soriano

**Pump Testing**

Eng. Stormy McInerny  
 Eng. Benoit

**Driver/Operator**

Capt. Rick Rees  
 Eng. Mike Benoit  
 Eng. Sam Russell

**Haz Mat**

Capt. Garing

**Fire Command/ICS**

B/C Keith McReynolds  
 Capt. Rick Rees  
 Capt. Brian MacMillan

**Multi Company Ops**

B/C McReynolds  
 Capt. Delgado  
 Capt. Brian MacMillan  
 Capt. Rees

<b>Aggregate Training Hours Thus Far for 2018</b>	
Total Hours logged:	9,847.83
Average per Month:	1641.30
Average per Day:	9.06

**SUMMARY:**

Training hours for our personnel, when evaluated on an average basis, remain above the minimum monthly requirements. Through the talents of in-house and North Zone Training Cadres, NCF continues to deliver exceptional training practices to all of our districts members.

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**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE PREVENTION BUREAU**

**TO:** BOARD OF DIRECTORS  
**FROM:** DFM KOCH AND CHIEF ABBOTT  
**DATE:** JULY 24, 2018  
**SUBJECT:** MULTI-YEAR FACILITIES AND EQUIPMENT PLAN

**DISCUSSION AGENDA**

**RECOMMENDATION:**

- Public Hearing 5:15 p.m. – Time Certain for the establishment of a Multi-Year Facilities and Equipment Plan for the Fire Mitigation Fee Program and adoption of Resolution No. 2018-13.
- Approve the FY 2017/2018 Fire Mitigation Annual Report, Multi-Year Plan and Resolution 2018-13 as presented.
- Direct Staff to send the adoptive Resolution and Report to the County of San Diego.

**BACKGROUND:**

The District is required to adopt a Multi-Year Facilities and Equipment Plan to participate in the County Fire Mitigation Fee Program. The Multi-Year Plan is required to be updated annually.

**DISCUSSION:**

Staff has developed the attached Fire Mitigation Annual Report and the Five Year Plan. The Report and the adoptive Resolution will be sent to the County when the Board approves it.

**FISCAL ANALYSIS:**

The projected Fire Mitigation Fee Revenue for FY 2018/2019 is approximately \$250,000.00 from fees and interest.

**SUMMARY:**

Adoption of the Multi-Year Facilities and Equipment Plan and Fire Mitigation Fee Annual Report will allow the District to continue to participate in the Fire Mitigation Fee Program for the purpose of collecting developer impact fees in order to offset increased demands upon District infrastructure.



# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION NO. 2018-13

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT ESTABLISHING A MULTI-YEAR FACILITIES AND EQUIPMENT PLAN FOR THE FIRE MITIGATION FEE PROGRAM

**WHEREAS**, the North County Fire Protection District participates in the San Diego County Fire Mitigation Fee Program; and

**WHEREAS**, the District must meet facilities and equipment needs caused by new growth; and

**WHEREAS**, any portion of the Fire Mitigation Fees, which have been collected yet unexpended or uncommitted five or more years after deposit shall be returned;

**THEREFORE, BE IT RESOLVED** that the North County Fire Protection District adopts the attached Multi-Year Mitigation Capital Expenditures Plan to meet facilities and equipment needs caused by new growth.

**ADOPTED, SIGNED AND APPROVED** by the Board of Directors of the North County Fire Protection District, County of San Diego, State of California, on this **24<sup>th</sup> day of July, 2018** by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RECUSED:**

\_\_\_\_\_  
Kenneth Munson, Board President

**ATTEST: I HEREBY CERTIFY** that the foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District thereof held on the **24<sup>th</sup> day of July, 2018**, and that the same now appears on record in my office.

**IN WITNESS THEREOF**, I hereunto set my hand and affixed by official seal this **24<sup>th</sup> day of July, 2018**.

\_\_\_\_\_  
Loren A. Stephen-Porter , Board Secretary

Official Seal



# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-13

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT ESTABLISHING A MULTI-YEAR FACILITIES AND EQUIPMENT PLAN FOR THE FIRE MITIGATION FEE PROGRAM

**"ATTACHMENT A"**

#### FIRE MITIGATION FEE MULTI-YEAR FACILITIES AND EQUIPMENT PLAN

(Estimates reflect only that portion of facility cost necessitated by new growth)

	<u>MITIGATION FEES</u>	<u>DISTRICT'S SHARE</u>
<b><u>FISCAL YEAR 2018/2019:</u></b>		
1. Debt Service Pay Back		
2. Fire Station 4 - (FMF Committee approved FY 06/07)	\$4,935,874	\$1,645,291
<b><u>FISCAL YEAR 2019/2020:</u></b>		
1. Debt Service Pay Back		
2. Cancel New Admin Building - (FMF Committee approved FY 01/02)		
<b><u>FISCAL YEAR 2020/2021:</u></b>		
1. Debt Service Pay Back		
<b><u>FISCAL YEAR 2021/2022:</u></b>		
1. Debt Service Pay Back		
<b><u>FISCAL YEAR 2022/2023:</u></b>		
1. Debt Service Pay Back		
<b><u>FISCAL YEAR 2023/2024:</u></b>		
1. Debt Service Pay Back		

APPROVED: 24<sup>th</sup> day of July, 2018

MOTION BY: \_\_\_\_\_

SECOND BY: \_\_\_\_\_

**ROLL CALL RESULTS:**

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

RECUSED: \_\_\_\_\_

\_\_\_\_\_  
Kenneth Munson, Board President

# NORTH COUNTY FIRE PROTECTION DISTRICT



## RESOLUTION 2018-13

RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT ESTABLISHING A MULTI-YEAR FACILITIES AND EQUIPMENT PLAN FOR THE FIRE MITIGATION FEE PROGRAM

**"ATTACHMENT A"**

I HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District thereof held on the **24<sup>th</sup> day of July, 2018**, and that the same now appears on record in the Office of the Board Secretary.

IN WITNESS THEREOF, I hereto set my hand and affixed by official seal this **24<sup>th</sup> day of July, 2018**.

Loren-Stephen Porter, Board Secretary



## FIRE MITIGATION FEES

### FY 17-18

FIRE DISTRICT	Q1	Q2	Q3	Q4	TOTAL
Alpine	\$ 11,732.00	\$ 8,341.20	\$ 16,889.60	\$ 17,881.36	\$ 54,844.16
Bonita-Sunnyside	\$ 2,441.60	\$ 5,570.32	\$ 8,530.48	\$ 6,952.40	\$ 23,494.80
Borrego Springs	\$ 3,330.92	\$ -	\$ 836.08	\$ -	\$ 4,167.00
CSA 107 Elfin Forrest	\$ -	\$ -	\$ -	\$ -	\$ -
CSA 115 Pepper Drive	\$ -	\$ 1,947.68	\$ -	\$ 2,296.56	\$ 4,244.24
CSA 135 County Fire	\$ 26,700.96	\$ 192,969.60	\$ 28,313.16	\$ 29,652.60	\$ 277,636.32
Deer Springs	\$ 11,672.08	\$ 8,888.88	\$ 4,677.12	\$ 12,204.08	\$ 37,442.16
Julian-Cuyamaca	\$ 2,284.80	\$ 2,696.96	\$ 1,155.28	\$ 4,208.96	\$ 10,346.00
Lakeside	\$ 8,334.48	\$ 42,271.14	\$ 14,221.22	\$ 19,794.88	\$ 84,621.72
Mootamai	\$ -	\$ -	\$ -	\$ -	\$ -
North County	\$ 199,716.73	\$ 205,171.12	\$ 158,668.13	\$ 126,474.08	\$ 690,030.06
Pauma Valley	\$ -	\$ -	\$ -	\$ -	\$ -
Pine Valley	\$ -	\$ -	\$ -	\$ -	\$ -
Ramona	\$ 29,383.76	\$ 31,111.36	\$ 29,635.72	\$ 49,244.16	\$ 139,375.00
Rancho Santa Fe	\$ 71,982.92	\$ 28,997.48	\$ 135,289.04	\$ 361,844.40	\$ 598,113.84
Rincon Del Diablo	\$ 4,636.24	\$ 17,371.00	\$ 1,239.28	\$ 15,965.60	\$ 39,212.12
Rural	\$ 1,226.18	\$ 35.84	\$ 2,283.68	\$ -	\$ 3,545.70
San Marcos	\$ 3,753.68	\$ 4,222.40	\$ 1,562.40	\$ 1,277.92	\$ 10,816.40
San Miguel	\$ 23,731.44	\$ 22,081.72	\$ 21,988.20	\$ 38,989.44	\$ 106,790.80
Valley Center	\$ 22,934.84	\$ 18,509.10	\$ 56,843.36	\$ 32,750.48	\$ 131,037.78
Vista	\$ 23,821.56	\$ 9,126.28	\$ 8,321.04	\$ 5,496.40	\$ 46,765.28
Yuima	\$ 1,636.32	\$ -	\$ 3,022.88	\$ 6,937.84	\$ 11,597.04
<b>TOTALS:</b>	<b>\$ 449,320.51</b>	<b>\$ 599,312.08</b>	<b>\$ 493,476.67</b>	<b>\$ 731,971.16</b>	<b>\$ 2,274,080.42</b>



County of San Diego  
Planning & Development Services, Building Division

Start Date: 04/01/2018  
End Date: 06/30/2018  
Fee Category: Fire Mitigation Fees  
Disaster: N/A

FEE REPORT

RECORD ID	SCOPE CODE	OPENED DATE	ISSUED DATE	RECORD STATUS	COMPLETED DATE	FEE ITEM	FEE AMOUNT	INVOICE DATE	FEES PAID	PAYMENT DATE	VOID DATE	PAYMENT ACCOUNT	ADDRESS
POS2017-RESAPRI-000017	1010	01/18/2017	03/28/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$2,834.16	03/28/2018	Y	05/04/2018		1006237 001 104051 00000 00000	1457 STAR VALLEY RD
POS2017-COMPRI-000034	3201	09/07/2017	06/25/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$1,181.04	06/25/2018	Y	06/25/2018		1006237 001 104051 00000 00000	3816 VIA PALO VERDE LAGO
POS2017-RESAPRI-000258	1010	09/07/2017	02/08/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$2,630.88	02/09/2018	Y	04/18/2018		1006237 001 104051 00000 00000	383 GALLOWAY VALLEY RD
POS2017-RESAPRI-000335	1010	11/01/2017	05/30/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$2,159.92	05/30/2018	Y	05/30/2018		1006237 001 104051 00000 00000	3037 HOLLY RD
POS2017-RESACC-000878	1015	11/29/2017	04/05/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$868.00	04/05/2018	Y	04/05/2018		1006237 001 104051 00000 00000	9003 HUNTER PASS ADU
POS2018-RESALT-000073	4340	01/04/2018	05/17/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$681.52	05/17/2018	Y	05/17/2018		1006237 001 104051 00000 00000	1824 HIGHLANDS VIEW RD
POS2018-RESAPRI-000015	1010	01/17/2018	04/27/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$3,583.28	04/27/2018	Y	04/27/2018		1006237 001 104051 00000 00000	328 AMY WAY
POS2018-RESAPRI-000057	1010	02/22/2018	06/28/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$1,533.28	06/28/2018	Y	06/28/2018		1006237 001 104051 00000 00000	1884 BRADY JANE LN
POS2018-RESACC-000154	4360	02/26/2018	05/02/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$490.00	05/02/2018	Y	06/14/2018		1006237 001 104051 00000 00000	2385 MARSHALL WAY
POS2018-RESACC-000304	4360	04/24/2018	06/25/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$700.00	06/25/2018	Y	06/25/2018		1006237 001 104051 00000 00000	2123 COLLOMIA CT
POS2018-RESACC-000399	1015	05/16/2018	06/19/2018	Issued		Fire Mitigation Fee - Alpine FPD	\$1,239.28	06/19/2018	Y	06/19/2018		1006237 001 104051 00000 00000	590 SOUTH GRADE RD 2ND D.U.
ALPINE FPD FEES TOTAL:							\$17,981.36						
POS2017-RESAPRI-000038	1010	02/13/2017	04/03/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$934.08	04/03/2018	Y	04/16/2018		1006237 001 104051 00000 00000	6834 SAN MIGUEL RD
POS2017-RESALT-005199	4340	07/31/2017	06/08/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$456.96	06/08/2018	Y	06/08/2018		1006237 001 104051 00000 00000	3719 SWEETWATER RD
POS2017-RESAPRI-000271	1010	09/14/2017	06/18/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$1,274.56	06/18/2018	Y	06/19/2018		1006237 001 104051 00000 00000	475 JACARANDA DR
POS2017-RESALT-005918	4340	11/14/2017	05/24/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$302.96	05/24/2018	Y	05/24/2018		1006237 001 104051 00000 00000	5147 SUNNYSIDE DR
POS2017-RESALT-010594	4340	12/15/2017	06/11/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$258.16	06/11/2018	Y	06/11/2018		1006237 001 104051 00000 00000	3623 VALLEY VISTA RD
POS2018-RESACC-000258	4360	04/06/2018	04/12/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$504.00	04/12/2018	Y	04/12/2018		1006237 001 104051 00000 00000	3315 EL RANCHO GRANDE
POS2018-RESACC-000270	4360	04/12/2018	06/08/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$560.00	06/08/2018	Y	06/08/2018		1006237 001 104051 00000 00000	6002 BONITA MEADOWS LN
POS2018-RESACC-000271	1015	04/12/2018	06/12/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$672.00	06/12/2018	Y	06/12/2018		1006237 001 104051 00000 00000	6004 BONITA MEADOWS LN ADU
POS2018-RESACC-000278	3181	04/13/2018	06/08/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$1,120.00	06/08/2018	Y	06/08/2018		1006237 001 104051 00000 00000	6002 BONITA MEADOWS LN MAIN
POS2018-RESALT-003217	4340	04/18/2018	05/04/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$382.48	05/04/2018	Y	05/15/2018		1006237 001 104051 00000 00000	5856 SAN MIGUEL RD
POS2018-RESACC-000303	4360	04/23/2018	04/30/2018	Issued		Fire Mitigation Fee - Bonita-Sunnyside FPD	\$487.20	04/30/2018	Y	04/30/2018		1006237 001 104051 00000 00000	4310 ADRIENNE DR
BONITA-SUNNYSIDE FPD FEES TOTAL:							\$6,982.40						
POS2017-RESAPRI-000384	1010	12/08/2017	05/28/2018	Issued		Fire Mitigation Fee - CSA 115 - Pepper Drive	\$2,296.56	05/28/2018	Y	06/04/2018		1006237 001 104051 00000 00000	8352 O'CONNELL RD
CSA 115 - PEPPER DRIVE FEES TOTAL:							\$2,296.56						
POS2017-RESAPRI-000097	1010	04/08/2017	04/03/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,173.20	04/03/2018	Y	04/10/2018		1006237 001 104051 00000 00000	2488 CYPRESS DR
POS2017-RESACC-000407	1120	05/08/2017	04/10/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$406.00	04/10/2018	Y	04/18/2018		1006237 001 104051 00000 00000	2003 ORANGE AVE
POS2017-RESACC-000416	1014	06/13/2017	06/12/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$940.80	06/12/2018	Y	06/12/2018		1006237 001 104051 00000 00000	12667 CALLE DE ROB ADU
POS2017-RESAPRI-000202	1140	07/21/2017	07/21/2017	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$806.40	04/17/2018	Y	04/18/2018		1006237 001 104051 00000 00000	18959 SR-94
POS2017-RESAPRI-000202	1140	07/21/2017	07/21/2017	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$806.40	04/17/2018	Y	04/27/2018		1006237 001 104051 00000 00000	18959 SR-94
POS2017-RESACC-000629	4360	09/01/2017	05/25/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$940.00	05/25/2018	Y	05/25/2018		1006237 001 104051 00000 00000	1249 CAMPO ST
POS2017-RESACC-000687	3281	09/18/2017	05/15/2018	Completed	06/20/2018	Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,290.24	04/09/2018	Y	04/09/2018		1006237 001 104051 00000 00000	2803 TUCKER TRL
POS2017-RESACC-000741	3281	10/09/2017	05/15/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$940.00	05/15/2018	Y	05/15/2018		1006237 001 104051 00000 00000	3435 CARVEACRE RD
POS2017-RESAPRI-000310	1010	10/09/2017	05/23/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$994.56	05/23/2018	Y	05/23/2018		1006237 001 104051 00000 00000	4713 LA SELVA RD
POS2017-RESAPRI-000321	1140	10/20/2017	06/15/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$847.28	06/15/2018	Y	06/15/2018		1006237 001 104051 00000 00000	2485 BLUEGILL DR
POS2017-RESAPRI-000361	1010	11/17/2017	06/15/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$859.04	03/22/2018	Y	04/20/2018		1006237 001 104051 00000 00000	2716 HONEY SPRINGS RD
POS2017-RESAPRI-000380	1010	11/28/2017	06/15/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$2,553.64	04/16/2018	Y	05/08/2018		1006237 001 104051 00000 00000	17559 SR-94
POS2017-RESAPRI-000386	1010	11/30/2017	06/08/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,364.16	06/08/2018	Y	06/12/2018		1006237 001 104051 00000 00000	14082 JAMUL DR
POS2017-RESACC-000958	4360	12/22/2017	06/21/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,680.00	06/21/2018	Y	06/21/2018		1006237 001 104051 00000 00000	14651 DROPSEED TER
POS2017-RESACC-000971	1015	12/28/2017	05/02/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$378.00	05/02/2018	Y	05/02/2018		1006237 001 104051 00000 00000	15686 LYONS VALLEY RD ADU



RECORD ID	SCOPE CODE	OPENED DATE	ISSUED DATE	RECORD STATUS	COMPLETED DATE	FEE ITEM	FEE AMOUNT	INVOICE DATE	FEES PAID	PAYMENT DATE	VOW DATE	PAYMENT ACCOUNT	ADDRESS
PDS2018-COMALT-000002	4360	01/02/2018	05/04/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$170.80	05/04/2018	Y	05/04/2018		1006237 001 104051 00000 00000	38751 DE LUZ RD
PDS2018-RESALT-000058	4340	01/03/2018	06/15/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,134.56	06/15/2018	Y	06/20/2018		1006237 001 104051 00000 00000	14896 CHAPARRAL SLOPE RD P8
PDS2018-RESALT-000298	4340	01/11/2018	04/30/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,179.92	04/30/2018	Y	05/21/2018		1006237 001 104051 00000 00000	23829 SR-78
PDS2018-RESALT-000298	4340	01/11/2018	04/30/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,179.92	04/30/2018	Y	05/21/2018		1006237 001 104051 00000 00000	23829 SR-78
PDS2018-RESALT-000298	4340	01/11/2018	04/30/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,179.92	04/30/2018	Y	05/21/2018		1006237 001 104051 00000 00000	23829 SR-78
PDS2018-RESALT-000378	3310	01/16/2018	06/28/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$948.40	06/28/2018	Y	05/03/2018		1006237 001 104051 00000 00000	13862 HONNELL WAY
PDS2018-RESALT-000548	4360	01/22/2018	06/28/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$221.20	05/01/2018	Y	05/03/2018		1006237 001 104051 00000 00000	16321 ROCKWOOD RD
PDS2018-RESALT-000030	1010	01/30/2018	06/08/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,387.12	06/08/2018	Y	05/08/2018		1006237 001 104051 00000 00000	13567 RANCHO HEIGHTS RD
PDS2018-RESALT-000032	1140	01/31/2018	06/05/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$908.32	06/05/2018	Y	05/22/2018		1006237 001 104051 00000 00000	30990 OLD HIGHWAY 80
PDS2018-RESALT-000052	1010	02/20/2018	06/12/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,132.32	06/12/2018	Y	05/12/2018		1006237 001 104051 00000 00000	221 FRANCES DR
PDS2018-RESALT-000143	4360	02/22/2018	06/22/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$786.24	04/17/2018	Y	04/18/2018		1006237 001 104051 00000 00000	15894 LYONS VALLEY RD
PDS2018-RESALT-000064	1140	02/27/2018	06/22/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$885.36	04/17/2018	Y	04/17/2018		1006237 001 104051 00000 00000	19490 LAMINACK LN
PDS2018-RESALT-000070	1150	03/05/2018	06/22/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$846.72	05/03/2018	Y	05/03/2018		1006237 001 104051 00000 00000	3418 BABEL DR
PDS2018-RESALT-000077	1150	03/05/2018	06/22/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$846.72	05/03/2018	Y	05/03/2018		1006237 001 104051 00000 00000	3418 BABEL DR
PDS2018-RESALT-000112	3280	03/20/2018	05/11/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$1,209.60	05/11/2018	Y	05/11/2018		1006237 001 104051 00000 00000	604 BLACK CANYON PL
PDS2018-RESALT-000101	1140	03/28/2018	05/18/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$591.36	05/18/2018	Y	05/18/2018		1006237 001 104051 00000 00000	2371 HONEY SPRINGS RD
PDS2018-RESALT-000121	1140	04/12/2018	06/06/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$836.08	06/06/2018	Y	06/06/2018		1006237 001 104051 00000 00000	1915 JEWEL VALLEY RD
PDS2018-RESALT-000293	4360	04/19/2018	04/24/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$352.80	04/24/2018	Y	04/24/2018		1006237 001 104051 00000 00000	20827 BEE VALLEY RD
PDS2018-RESALT-000328	3281	04/27/2018	05/21/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$987.68	05/21/2018	Y	05/24/2018		1006237 001 104051 00000 00000	1704 VIEJAS CREEK TRL
PDS2018-RESALT-000383	4360	05/15/2018	05/22/2018	Issued		Fire Mitigation Fee - CSA 135 - County Fire Authority	\$872.00	05/22/2018	Y	05/22/2018		1006237 001 104051 00000 00000	14824 LONE OAK TRL
CSA 135 - COUNTY FIRE AUTHORITY FEES TOTAL: 29,652.6													
PDS2018-RESALT-000372	1010	11/10/2018	05/04/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$2,349.76	05/04/2018	Y	05/04/2018		1006237 001 104051 00000 00000	11043 NESMITH DR
PDS2018-RESALT-000093	1010	04/04/2017	07/25/2017	Issued		Fire Mitigation Fee - Deer Springs FPD	\$147.84	05/24/2018	Y	05/24/2018		1006237 001 104051 00000 00000	2513 PANORAMA DR
PDS2018-RESALT-000147	1010	06/01/2017	05/01/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$2,383.76	05/01/2018	Y	05/01/2018		1006237 001 104051 00000 00000	30223 LUIS REY HEIGHTS RD
PDS2018-RESALT-000703	4340	08/25/2017	06/18/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$322.00	06/18/2018	Y	06/18/2018		1006237 001 104051 00000 00000	28658 MTN LILAC RD
PDS2018-RESALT-000337	1010	11/02/2017	04/27/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$504.00	04/27/2018	Y	04/27/2018		1006237 001 104051 00000 00000	8268 W LILAC RD
PDS2018-RESALT-000373	1010	11/22/2017	05/16/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$2,822.40	05/16/2018	Y	05/16/2018		1006237 001 104051 00000 00000	31454 PALOS VERDES DR
PDS2018-RESALT-010258	4340	12/05/2017	04/10/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$222.32	04/10/2018	Y	04/10/2018		1006237 001 104051 00000 00000	3139 MOORE DR
PDS2018-COMPR-000005	3270	02/20/2018	02/20/2018	Issued		Fire Mitigation Fee - Deer Springs FPD	\$3,472.00	02/20/2018	Y	05/01/2018		1006237 001 104051 00000 00000	27980 OAK RANCH RD
DEER SPRINGS FPD FEES TOTAL: \$12,294.08													
PDS2017-COMACC-000063	2140	06/15/2017	04/26/2018	Issued		Fire Mitigation Fee - Julian-Cuyamaca FPD	\$4,208.96	04/26/2018	Y	05/01/2018		1006237 001 104051 00000 00000	17608 HARRISON PARK RD
JULIAN-CUYAMACA FPD FEES TOTAL: \$4,208.96													
PDS2017-RESALT-000021	1015	12/30/2016	06/14/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$369.60	06/01/2018	Y	05/16/2018		1006237 001 104051 00000 00000	11529 VALLE VISTA RD 2ND D.U.
PDS2017-RESALT-000492	4340	05/08/2017	03/02/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,386.56	03/02/2018	Y	04/13/2018		1006237 001 104051 00000 00000	14596 RANCH TRAIL DR
PDS2017-RESALT-000248	1010	06/28/2017	05/22/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,584.24	05/22/2018	Y	05/23/2018		1006237 001 104051 00000 00000	1212 TOPPER LN
PDS2017-RESALT-000250	1010	06/28/2017	05/22/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,584.24	05/22/2018	Y	05/23/2018		1006237 001 104051 00000 00000	1208 TOPPER LN
PDS2017-RESALT-000251	1010	06/30/2017	05/22/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,536.64	05/22/2018	Y	05/23/2018		1006237 001 104051 00000 00000	1218 TOPPER LN
PDS2017-RESALT-000252	1010	06/30/2017	05/22/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,536.64	05/22/2018	Y	05/23/2018		1006237 001 104051 00000 00000	1230 TOPPER LN
PDS2017-RESALT-000295	1010	10/02/2017	04/09/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,327.20	04/09/2018	Y	04/09/2018		1006237 001 104051 00000 00000	11848 ALMOND JOY CT
PDS2017-RESALT-000389	1010	12/01/2017	03/09/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$2,140.88	03/09/2018	Y	04/06/2018		1006237 001 104051 00000 00000	9753 VALLEY RANCH RD
PDS2017-RESALT-000933	4360	12/14/2017	03/22/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$403.20	03/22/2018	Y	04/19/2018		1006237 001 104051 00000 00000	13376 E LAKEVIEW RD
PDS2017-RESALT-010630	4340	12/18/2017	05/03/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$217.28	05/03/2018	Y	05/03/2018		1006237 001 104051 00000 00000	8621 VIA DEL LUZ
PDS2018-COMALT-000021	4380	01/12/2018	05/16/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$87.20	05/16/2018	Y	05/17/2018		1006237 001 104051 00000 00000	12150 1/2 WOODSIDE AVE
PDS2018-RESALT-000918	4340	02/05/2018	05/10/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$314.72	05/10/2018	Y	05/10/2018		1006237 001 104051 00000 00000	9281 RAMONA CT
PDS2018-RESALT-000294	4340	03/16/2018	06/19/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$446.88	06/19/2018	Y	06/19/2018		1006237 001 104051 00000 00000	8854 LOS COCHES RD
PDS2018-RESALT-000100	1010	03/28/2018	05/23/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,419.60	05/23/2018	Y	05/23/2018		1006237 001 104051 00000 00000	12025 MC WEST LN
PDS2018-RESALT-000290	4360	04/13/2018	05/09/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$1,120.00	05/09/2018	Y	05/09/2018		1006237 001 104051 00000 00000	15510 HAWLEY PL

RECORD ID	SCOPE CODE	OPENED DATE	ISSUED DATE	RECORD STATUS	COMPLETED DATE	FEE ITEM	FEE AMOUNT	INVOICE DATE	FEES PAID	PAYMENT DATE	VOID DATE	PAYMENT ACCOUNT	ADDRESS
POS2018-RES-PR-000126	1010	04/17/2018	06/21/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$2,257.36	06/21/2018	Y	06/22/2018		1006237 001 104051 00000 00000	9612 BLOSSOM RIDGE WAY
POS2018-RES-ACC-000292	1015	04/19/2018	05/17/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$918.96	05/17/2018	Y	05/18/2018		1006237 001 104051 00000 00000	15318 CREEK HILLS RD ADU
POS2018-RES-ALT-003742	4340	05/02/2018	06/04/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$509.60	06/04/2018	Y	06/04/2018		1006237 001 104051 00000 00000	11712 VALLE VISTA RD
POS2018-RES-ACC-000390	1015	05/14/2018	06/15/2018	Issued		Fire Mitigation Fee - Lakeside FPD	\$854.08	06/15/2018	Y	06/18/2018		1006237 001 104051 00000 00000	13322 WILLOW RD ADU
RECORD COUNT: 18													
POS2017-RES-ALT-006002	4340	06/22/2017	06/22/2018	Issued		Fire Mitigation Fee - North County FPD	\$235.20	06/22/2018	Y	06/22/2018		1006237 001 104051 00000 00000	1608 PRINCE ST
POS2017-RES-PR-000269	1010	09/14/2017	04/03/2018	Issued		Fire Mitigation Fee - North County FPD	\$1,899.52	04/03/2018	Y	06/06/2018		1006237 001 104051 00000 00000	1815 MARITA LN
POS2017-RES-ALT-008728	4340	10/19/2017	05/23/2018	Issued		Fire Mitigation Fee - North County FPD	\$294.56	05/23/2018	Y	05/23/2018		1006237 001 104051 00000 00000	516 S LIVE OAK PARK RD
POS2017-RES-ACC-000818	1015	11/09/2017	04/20/2018	Issued		Fire Mitigation Fee - North County FPD	\$408.80	04/20/2018	Y	04/20/2018		1006237 001 104051 00000 00000	4520 SLEEPING INDIAN RD ADU
POS2017-RES-PR-000359	1010	11/16/2017	02/26/2018	Issued		Fire Mitigation Fee - North County FPD	\$103.04	05/11/2018	Y	05/11/2018		1006237 001 104051 00000 00000	2390 GREEN CANYON RD
POS2017-RES-PR-000385	1010	11/30/2017	05/17/2018	Issued		Fire Mitigation Fee - North County FPD	\$574.58	05/17/2018	Y	05/25/2018		1006237 001 104051 00000 00000	480 OLIVE HILL WAY
POS2017-RES-PR-000386	1010	12/11/2017	05/21/2018	Issued		Fire Mitigation Fee - North County FPD	\$328.24	05/21/2018	Y	05/21/2018		1006237 001 104051 00000 00000	387 HILL CT
POS2017-RES-ACC-000965	3181	12/21/2017	05/09/2018	Issued		Fire Mitigation Fee - North County FPD	\$456.06	05/09/2018	Y	05/09/2018		1006237 001 104051 00000 00000	2485 VERN DR
POS2017-RES-ALT-010723	4340	12/21/2017	05/26/2018	Issued		Fire Mitigation Fee - North County FPD	\$309.88	05/26/2018	Y	05/26/2018		1006237 001 104051 00000 00000	2864 RECHE RD
POS2018-RES-ACC-000008	1015	01/08/2018	04/04/2018	Issued		Fire Mitigation Fee - North County FPD	\$750.40	04/04/2018	Y	04/04/2018		1006237 001 104051 00000 00000	2170 MARGARITO LN ADU
POS2018-RES-PR-000011	1140	01/18/2018	05/15/2018	Issued		Fire Mitigation Fee - North County FPD	\$672.00	05/15/2018	Y	05/15/2018		1006237 001 104051 00000 00000	202 N STAGE COACH LN
POS2018-RES-ACC-000083	4360	02/02/2018	05/24/2018	Issued		Fire Mitigation Fee - North County FPD	\$1,153.60	05/18/2018	Y	05/18/2018		1006237 001 104051 00000 00000	1018 SANTA MARGARITA DR
POS2018-RES-PR-000038	1010	02/05/2018	05/15/2018	Issued		Fire Mitigation Fee - North County FPD	\$2,527.52	05/15/2018	Y	05/15/2018		1006237 001 104051 00000 00000	1402 RIVERVIEW DR
POS2018-RES-ALT-001126	4340	02/08/2018	06/08/2018	Issued		Fire Mitigation Fee - North County FPD	\$175.84	06/08/2018	Y	06/08/2018		1006237 001 104051 00000 00000	3548 NORTHCREEK DR
POS2018-RES-ACC-000116	4360	02/12/2018	04/18/2018	Issued		Fire Mitigation Fee - North County FPD	\$550.00	04/18/2018	Y	04/18/2018		1006237 001 104051 00000 00000	2452 VIA DEL ROBLES
POS2018-RES-PR-000046	1010	02/13/2018	05/07/2018	Issued		Fire Mitigation Fee - North County FPD	\$2,307.76	05/07/2018	Y	05/07/2018		1006237 001 104051 00000 00000	4380 RAMONA DR
POS2018-RES-ACC-000135	2141	02/20/2018	05/09/2018	Issued		Fire Mitigation Fee - North County FPD	\$854.56	05/09/2018	Y	05/09/2018		1006237 001 104051 00000 00000	2356 ADLER CREEK LN
POS2018-RES-PR-000067	1010	03/02/2018	04/09/2018	Issued		Fire Mitigation Fee - North County FPD	\$1,228.08	04/09/2018	Y	04/09/2018		1006237 001 104051 00000 00000	1420 BUCKBOARD LN
POS2018-RES-PR-000071	1010	03/06/2018	04/16/2018	Issued		Fire Mitigation Fee - North County FPD	\$1,559.04	04/16/2018	Y	04/16/2018		1006237 001 104051 00000 00000	134 KADEN CT
POS2018-RES-PR-000118	1019	03/06/2018	03/06/2018	Issued		Fire Mitigation Fee - North County FPD	\$16,460.08	03/06/2018	Y	04/23/2018		1006237 001 104051 00000 00000	35805 SHETLAND HILLS EAST
POS2018-RES-ACC-000202	3281	03/16/2018	04/05/2018	Completed	06/29/2018	Fire Mitigation Fee - North County FPD	\$2,888.00	04/05/2018	Y	04/23/2018		1006237 001 104051 00000 00000	1550 RED MOUNTAIN DAMI DR
POS2018-RES-PR-000087	1010	03/21/2018	06/01/2018	Issued		Fire Mitigation Fee - North County FPD	\$212.24	06/01/2018	Y	06/04/2018		1006237 001 104051 00000 00000	6786 W LILAC RD
POS2018-RES-ALT-002504	4340	03/26/2018	04/18/2018	Issued		Fire Mitigation Fee - North County FPD	\$277.20	04/18/2018	Y	04/18/2018		1006237 001 104051 00000 00000	3770 POPPY LN
POS2018-TPH-SPM-000151	1019	03/28/2018	03/28/2018	Issued		Fire Mitigation Fee - North County FPD	\$10,505.60	03/28/2018	Y	04/02/2018		1006237 001 104051 00000 00000	35419 BROWN GALLOWAY LN
POS2018-COM-PR-000012	3180	04/04/2018	04/04/2018	Issued		Fire Mitigation Fee - North County FPD	\$514.64	04/04/2018	Y	04/10/2018		1006237 001 104051 00000 00000	240 GOLD PALOMINO WAY SPORT
POS2018-TPH-SPM-000159	1019	04/11/2018	04/11/2018	Issued		Fire Mitigation Fee - North County FPD	\$11,373.04	04/13/2018	Y	04/19/2018		1006237 001 104051 00000 00000	5322 AVENIDA DE LOS PINOS
POS2018-RES-ACC-000336	4360	05/01/2018	06/22/2018	Issued		Fire Mitigation Fee - North County FPD	\$840.00	06/22/2018	Y	06/22/2018		1006237 001 104051 00000 00000	3206 SAGE RD
POS2018-TPH-SPM-000233	1019	05/01/2018	05/01/2018	Issued		Fire Mitigation Fee - North County FPD	\$11,991.28	05/01/2018	Y	05/04/2018		1006237 001 104051 00000 00000	304 CAMPOLINA CT
POS2018-TPH-SPM-000241	1019	05/01/2018	05/01/2018	Issued		Fire Mitigation Fee - North County FPD	\$13,845.44	05/01/2018	Y	05/04/2018		1006237 001 104051 00000 00000	35281 PERSANO PL
POS2018-RES-ACC-000358	4360	05/09/2018	05/24/2018	Issued		Fire Mitigation Fee - North County FPD	\$1,624.00	05/24/2018	Y	05/24/2018		1006237 001 104051 00000 00000	4272 VALLE DEL SOL
POS2018-RES-ALT-003961	4360	05/09/2018	05/23/2018	Issued		Fire Mitigation Fee - North County FPD	\$188.16	05/23/2018	Y	05/23/2018		1006237 001 104051 00000 00000	3127 VIA DEL CIELO
POS2018-RES-PR-000176	1010	05/18/2018	06/07/2018	Issued		Fire Mitigation Fee - North County FPD	\$105.28	06/07/2018	Y	06/07/2018		1006237 001 104051 00000 00000	6890 W LILAC RD
POS2018-TPH-SPM-000286	1019	05/31/2018	05/31/2018	Issued		Fire Mitigation Fee - North County FPD	\$13,303.92	05/31/2018	Y	06/06/2018		1006237 001 104051 00000 00000	428 CALABRESE ST
POS2018-TPH-SPM-000316	1019	06/08/2018	06/08/2018	Issued		Fire Mitigation Fee - North County FPD	\$12,270.72	06/08/2018	Y	06/12/2018		1006237 001 104051 00000 00000	234 WINDSOR GREY WAY
POS2018-TPH-SPM-000325	1019	06/14/2018	06/14/2018	Issued		Fire Mitigation Fee - North County FPD	\$12,839.12	06/14/2018	Y	06/18/2018		1006237 001 104051 00000 00000	328 CAMPOLINA CT
RECORD COUNT: 36													
POS2015-RES-PR-000280	1010	10/22/2015	04/19/2017	Issued		Fire Mitigation Fee - Ramona MWD	\$672.00	04/19/2017	Y	05/01/2018		1006237 001 104051 00000 00000	2245 ASHLEY RD
POS2016-RES-PR-000416	1010	12/19/2016	06/22/2018	Issued		Fire Mitigation Fee - Ramona MWD	\$4,016.32	05/22/2018	Y	06/08/2018		1006237 001 104051 00000 00000	15408 HIGHLAND VALLEY RD MAIN
POS2017-RES-ALT-002983	4340	04/24/2017	04/09/2018	Issued		Fire Mitigation Fee - Ramona MWD	\$439.04	04/09/2018	Y	04/09/2018		1006237 001 104051 00000 00000	26182 MATLIN RD
POS2017-RES-ACC-000690	4360	08/15/2017	08/21/2017	Issued		Fire Mitigation Fee - Ramona MWD	\$1,008.00	05/22/2018	Y	05/22/2018		1006237 001 104051 00000 00000	2245 ASHLEY RD
POS2017-RES-ACC-000673	4360	09/19/2017	05/31/2018	Issued		Fire Mitigation Fee - Ramona MWD	\$537.60	05/31/2018	Y	05/31/2018		1006237 001 104051 00000 00000	16888 SUNRISE VISTA
POS2017-RES-ACC-000713	4360	09/29/2017	04/03/2018	Issued		Fire Mitigation Fee - Ramona MWD	\$456.86	04/03/2018	Y	04/03/2018		1006237 001 104051 00000 00000	1230 CEDAR ST
POS2017-RES-PR-000339	1010	11/02/2017	04/03/2018	Issued		Fire Mitigation Fee - Ramona MWD	\$1,705.20	04/03/2018	Y	04/04/2018		1006237 001 104051 00000 00000	23720 MOONGLOW CT
NORTH COUNTY FPD FEES TOTAL: \$128,474.08													

Jul 21, 2018 Regular Board Meeting





RECORD ID	SCOPE CODE	OPENED DATE	ISSUED DATE	RECORD STATUS	COMPLETED DATE	FEE ITEM	FEE AMOUNT	INVOICE DATE	FEES PAID	PAYMENT DATE	VEND DATE	PAYMENT ACCOUNT	ADDRESS
POS2018-RESAPRI-000010	1010	07/11/2018	05/11/2018	Issued		Fire Mitigation Fee - Rincon Del Diablo MWD	\$2,395.12	05/11/2018	Y	05/11/2018		1006237 001 104051 00000 00000	2106 VIA RANCHO PKWY
POS2018-TPHSPM-000034	1019	06/22/2018	06/22/2018	Issued		Fire Mitigation Fee - Rincon Del Diablo MWD	\$11,718.00	06/22/2018	Y	06/22/2018		1006237 001 104051 00000 00000	1109 PALOMAR CIR LOT 1
RECORD COUNT: 4													
POS2017-RESACC-000746	4360	10/11/2017	05/11/2018	Issued		Fire Mitigation Fee - San Marcos FPD	\$497.28	05/11/2018	Y	05/11/2018		1006237 001 104051 00000 00000	1541 ROGERS CT
POS2017-RESACC-000856	1015	11/21/2017	05/17/2018	Completed	05/22/2018	Fire Mitigation Fee - San Marcos FPD	\$465.92	05/17/2018	Y	05/16/2018		1006237 001 104051 00000 00000	1605 LA PLAZA DR
POS2018-RESACC-000341	4360	05/03/2018	06/21/2018	Issued		Fire Mitigation Fee - San Marcos FPD	\$314.72	06/21/2018	Y	06/27/2018		1006237 001 104051 00000 00000	1492 LA LINDA DR
RECORD COUNT: 3													
POS2018-RESACC-000714	4360	10/09/2015	04/03/2017	Completed	05/21/2018	Fire Mitigation Fee - San Miguel FPD	\$504.00	04/03/2017	Y	04/17/2018		1006237 001 104051 00000 00000	1970 AVON LN
POS2018-RESAPRI-000101	1010	03/22/2016	09/07/2017	Issued		Fire Mitigation Fee - San Miguel FPD	\$236.88	06/11/2018	Y	06/12/2018		1006237 001 104051 00000 00000	11218 FUENTE DR
POS2018-RESAPRI-000357	1010	10/26/2016	12/12/2017	Issued		Fire Mitigation Fee - San Miguel FPD	\$2,597.28	12/12/2017	Y	04/16/2018		1006237 001 104051 00000 00000	1674 AVENIDA CHERYLITA
POS2018-RESALT-011103	4340	11/02/2016	12/05/2017	Issued		Fire Mitigation Fee - San Miguel FPD	\$416.64	12/05/2017	Y	05/11/2018		1006237 001 104051 00000 00000	1960 SKYLINE LN
POS2017-RESACC-000312	1014	05/04/2017	05/04/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$1,431.82	05/04/2018	Y	05/04/2018		1006237 001 104051 00000 00000	2826 LA CRESTA RD ADU
POS2017-RESALT-007830	1012	07/05/2017	05/30/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$2,008.16	05/30/2018	Y	05/30/2018		1006237 001 104051 00000 00000	4015 N BONITA ST MAIN
POS2017-RESALT-007830	4340	09/21/2017	04/10/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$532.00	04/10/2018	Y	04/10/2018		1006237 001 104051 00000 00000	8305 BLOSSOM LN
POS2017-RESAPRI-000281	1010	09/25/2017	05/11/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$1,994.72	05/11/2018	Y	06/04/2018		1006237 001 104051 00000 00000	439 CANYON RIM DR
POS2017-RESAPRI-000360	1010	11/17/2017	04/08/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$1,627.92	04/08/2018	Y	04/08/2018		1006237 001 104051 00000 00000	1621 PARAISO AVE
POS2017-RESALT-010218	4340	12/04/2017	05/30/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$280.00	05/30/2018	Y	05/31/2018		1006237 001 104051 00000 00000	1629 MIRAGE CT
POS2018-RESACC-000011	4360	01/09/2018	03/22/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$807.52	03/22/2018	Y	05/14/2018		1006237 001 104051 00000 00000	1408 HORIZON POINTE
POS2018-RESACC-000012	1015	01/09/2018	05/16/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$306.32	05/16/2018	Y	05/16/2018		1006237 001 104051 00000 00000	3418 S GRANADA AVE
POS2018-RESAPRI-000012	1010	01/12/2018	06/05/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$1,777.44	06/05/2018	Y	06/05/2018		1006237 001 104051 00000 00000	9860 APPLE ST
POS2018-RESAPRI-000021	1010	01/24/2018	05/10/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$1,907.36	05/10/2018	Y	05/10/2018		1006237 001 104051 00000 00000	1640 VISTA VEREDA
POS2018-RESALT-001109	4360	02/09/2018	06/07/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$568.40	06/07/2018	Y	06/07/2018		1006237 001 104051 00000 00000	140 LANDALE LN
POS2018-RESALT-001699	4340	02/28/2018	06/25/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$616.00	06/25/2018	Y	06/25/2018		1006237 001 104051 00000 00000	8632 SPRING VISTA WAY
POS2018-RESALT-001858	4340	03/06/2018	05/21/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$545.44	05/21/2018	Y	05/21/2018		1006237 001 104051 00000 00000	4161 N BONITA ST
POS2018-RESALT-001966	4340	03/07/2018	06/25/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$696.64	06/25/2018	Y	06/25/2018		1006237 001 104051 00000 00000	2117 CANTALOMAS
POS2018-RESALT-002161	4340	03/14/2018	04/26/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$420.00	04/26/2018	Y	04/26/2018		1006237 001 104051 00000 00000	1064 WOODHAVEN DR
POS2018-RESALT-002358	2141	03/20/2018	05/29/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$213.36	05/29/2018	Y	05/29/2018		1006237 001 104051 00000 00000	4181 N CORDOVA AVE
POS2018-RESACC-000264	4360	04/10/2018	05/14/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$840.00	05/14/2018	Y	05/14/2018		1006237 001 104051 00000 00000	321 SUNNYBROOK LN
POS2018-RESALT-003664	4340	04/30/2018	05/21/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$491.68	05/21/2018	Y	05/21/2018		1006237 001 104051 00000 00000	741 WAIMEA DR
POS2018-RESACC-000386	4360	05/15/2018	06/22/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$526.40	06/22/2018	Y	05/23/2018		1006237 001 104051 00000 00000	8939 LAMAR ST
POS2018-RESALT-004480	4340	05/25/2018	06/29/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$249.76	06/29/2018	Y	06/29/2018		1006237 001 104051 00000 00000	NO ADDRESS
POS2018-TPHSPM-000304	1019	05/31/2018	05/31/2018	Issued		Fire Mitigation Fee - San Miguel FPD	\$17,393.60	05/31/2018	Y	06/25/2018		1006237 001 104051 00000 00000	9246 HELIX MESA WAY
RECORD COUNT: 25													
POS2017-RESAPRI-000072	1010	03/15/2017	10/03/2017	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,312.64	01/26/2018	Y	04/16/2018		1006237 001 104051 00000 00000	28588 VALLEY CENTER RD
POS2017-RESAPRI-000081	1010	03/21/2017	04/02/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,484.72	04/02/2018	Y	04/02/2018		1006237 001 104051 00000 00000	30001 STONE SUMMIT DR
POS2017-RESAPRI-000089	1010	03/23/2017	04/02/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,484.72	04/02/2018	Y	04/02/2018		1006237 001 104051 00000 00000	30049 STONE SUMMIT DR
POS2017-RESAPRI-000285	1140	09/26/2017	05/03/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,350.72	05/03/2018	Y	05/03/2018		1006237 001 104051 00000 00000	14272 FARAWAY PL
POS2017-RESACC-000708	1015	09/28/2017	04/25/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,517.04	04/25/2018	Y	04/26/2018		1006237 001 104051 00000 00000	16174 SUNSET WAY
POS2017-RESAPRI-000344	1140	11/06/2017	05/31/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$746.48	05/31/2018	Y	05/31/2018		1006237 001 104051 00000 00000	10950 PALA LOMA DR
POS2017-RESAPRI-000354	1010	11/20/2017	04/20/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,720.32	04/20/2018	Y	04/23/2018		1006237 001 104051 00000 00000	28233 N LAKE WOHLFORD RD
POS2017-RESAPRI-000378	1010	11/27/2017	05/17/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,009.28	05/17/2018	Y	05/18/2018		1006237 001 104051 00000 00000	15019 KENSAL CT
POS2017-RESAPRI-000381	1010	11/28/2017	06/27/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,900.64	06/27/2018	Y	06/27/2018		1006237 001 104051 00000 00000	26321 SHALMA WAY
POS2017-RESAPRI-000398	1010	12/12/2017	04/16/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,605.52	04/16/2018	Y	04/17/2018		1006237 001 104051 00000 00000	31856 PATRICK WAY
POS2017-RESACC-000629	1015	12/14/2017	04/11/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,485.68	04/11/2018	Y	04/11/2018		1006237 001 104051 00000 00000	29572 ANTHONY RD ADU
POS2018-RESAPRI-000001	1010	01/02/2018	05/07/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,172.24	05/07/2018	Y	05/11/2018		1006237 001 104051 00000 00000	26504 CALLE DE ENCINAS
POS2018-RESAPRI-000016	1010	01/17/2018	04/11/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,009.28	04/11/2018	Y	04/13/2018		1006237 001 104051 00000 00000	15050 KENSAL CT
POS2018-RESACC-000053	1015	01/24/2018	03/15/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$366.80	03/15/2018	Y	04/12/2018		1006237 001 104051 00000 00000	30773 PALOMAR VISTA DR ADU
POS2018-RESAPRI-000037	1010	02/02/2018	05/14/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,131.92	05/14/2018	Y	06/07/2018		1006237 001 104051 00000 00000	27044 CALLE DE ENCINAS CT
POS2018-RESAPRI-000044	1010	02/09/2018	04/18/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,430.96	04/18/2018	Y	04/18/2018		1006237 001 104051 00000 00000	31507 STANFORD CT

July 24, 2018 - Regular Board Meeting



RECORD ID	SCOPE CODE	OPENED DATE	ISSUED DATE	RECORD STATUS	COMPLETED DATE	FEE ITEM	FEE AMOUNT	INVOICE DATE	FEES PAID	PAYMENT DATE	VOID DATE	PAYMENT ACCOUNT	ADDRESS
PDS2018-RESALT-001722	4340	03/01/2018	05/04/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$246.40	05/04/2018	Y	05/05/2018		1008237 001 104051 00000 00000	28719 JENNY JAY CT
PDS2018-RESALT-000098	1010	03/26/2018	05/03/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$2,696.40	05/03/2018	Y	05/03/2018		1008237 001 104051 00000 00000	28428 ALMONA WAY
PDS2018-RESALT-000259	3181	04/09/2018	05/07/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$417.76	05/07/2018	Y	05/07/2018		1008237 001 104051 00000 00000	30135 ROLLING HILLS DR
PDS2018-RESALT-000124	1140	04/16/2018	06/19/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$1,308.16	06/19/2018	Y	06/19/2018		1008237 001 104051 00000 00000	13851 WOODS VALLEY CT
PDS2018-RESALT-000423	4360	05/30/2018	06/05/2018	Issued		Fire Mitigation Fee - Valley Center FPD	\$352.80	06/05/2018	Y	06/05/2018		1008237 001 104051 00000 00000	14076 CALLE DE VISTA
RECORD COUNT: 21													
VALLEY CENTER FPD FEES TOTAL:													
PDS2016-RESALT-000447	1010	12/29/2016	06/22/2018	Issued		Fire Mitigation Fee - Vista FPD	\$1,704.08	06/22/2018	Y	06/22/2018		1008237 001 104051 00000 00000	1186 BARBARA DR
PDS2017-RESALT-000292	1010	09/28/2017	05/07/2018	Issued		Fire Mitigation Fee - Vista FPD	\$1,543.36	05/07/2018	Y	05/07/2018		1008237 001 104051 00000 00000	2564 CAMINO DE PRICILLA
PDS2018-RESALT-001194	4340	02/13/2018	06/27/2018	Issued		Fire Mitigation Fee - Vista FPD	\$315.28	06/27/2018	Y	06/27/2018		1008237 001 104051 00000 00000	2140 WARMLANDS AVE
PDS2018-RESALT-000128	2141	02/15/2018	04/10/2018	Completed	06/20/2018	Fire Mitigation Fee - Vista FPD	\$588.00	04/10/2018	Y	04/10/2018		1008237 001 104051 00000 00000	718 VALLEY DR
PDS2018-RESALT-001535	4340	02/23/2018	04/24/2018	Issued		Fire Mitigation Fee - Vista FPD	\$170.80	04/24/2018	Y	04/24/2018		1008237 001 104051 00000 00000	3675 FAIRVIEW DR
PDS2018-RESALT-000316	1015	04/26/2018	04/30/2018	Issued		Fire Mitigation Fee - Vista FPD	\$656.88	04/30/2018	Y	04/30/2018		1008237 001 104051 00000 00000	2142 BUENA CREEK RD ADU
PDS2018-RESALT-000374	4360	05/14/2018	06/12/2018	Issued		Fire Mitigation Fee - Vista FPD	\$518.00	06/12/2018	Y	06/12/2018		1008237 001 104051 00000 00000	2128 DONS WAY
RECORD COUNT: 7													
VISTA FPD FEES TOTAL:													
PDS2017-RESALT-000275	1010	09/19/2017	06/08/2018	Issued		Fire Mitigation Fee - Yuima MWD	\$5,485.76	06/08/2018	Y	06/15/2018		1008237 001 104051 00000 00000	32820 LUISENO CIRCLE DR
PDS2017-RESALT-000314	1010	10/11/2017	05/15/2018	Issued		Fire Mitigation Fee - Yuima MWD	\$1,261.68	05/15/2018	Y	05/15/2018		1008237 001 104051 00000 00000	17588 MESA DR
PDS2017-RESALT-000863	4340	10/24/2017	05/31/2018	Issued		Fire Mitigation Fee - Yuima MWD	\$190.40	05/31/2018	Y	06/05/2018		1008237 001 104051 00000 00000	14931 ADAMS DR
RECORD COUNT: 3													
YUIMA MWD FEES TOTAL:													
GRAND TOTAL FEES:													
\$32,750.48													
\$5,486.40													
\$8,937.84													
\$781,971.16													

# NORTH COUNTY FIRE PROTECTION DISTRICT

[www.ncfireprotectiondistrict.org](http://www.ncfireprotectiondistrict.org)

330 S. Main Avenue

Fallbrook, California 92028-2938

Phone: (760) 723-2005

Fax: (760) 723-2072

## BOARD OF DIRECTORS

RUTH HARRIS  
FRED LUEVANO  
KENNETH E. MUNSON  
BOB HOFFMAN  
KATHLEEN THUNER

STEPHEN J. ABBOTT - Fire Chief/CEO - [sabbott@ncfire.org](mailto:sabbott@ncfire.org)  
ROBERT H. JAMES - District Counsel Robert James - [roberthjameslaw@gmail.com](mailto:roberthjameslaw@gmail.com)  
LOREN A. STEPHEN-PORTER - Board Secretary - [lstephen@ncfire.org](mailto:lstephen@ncfire.org)

July 25, 2018

Kelsey Chesnut  
San Diego County Fire Authority  
5510 Overland Avenue, Suite 250  
San Diego, CA 92123

### **Subject: Mitigation Expenditure Justification**

Dear Ms. Chesnut:

Please review and approve the use of mitigation funds for the North County Fire Protection District growth needs.

### Background:

Over the past decade, growth driven by new development has had a significant impact on the North County Fire Protection District. Using information provided by SANDAG, between the years 2018 and 2050, the area served by the District will grow by nearly 25,000 residents (a 50% increase), thereby increasing our anticipated call volume by 50% as well. Considering that 60% of this population growth will be from the elderly and children (over 65 years old and under 10 years old), we anticipate a disproportionate increase in call volume, as our call volume has escalated from 70 calls per thousand in 1990 to over 120 calls per thousand now.

Population, growth and development have driven these major increases in service demands, and inflation has dramatically increased the costs of construction. As evidenced by the Fire Mitigation Fee (FMF) Annual Report, to date the District has expended in excess of \$3.68 million dollars more than allotted through the FMF program. Due to the nearly -\$4M balance the District would like to continue to exercise the debt service payback option until further notice.



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSALE AND RAINBOW

***FIRE MITIGATION PROGRAM***

***JULY 25, 2018***

***PAGE 2 OF 2***

Additionally, the District anticipates moving forward with construction of a permanent facility for Fire Station 4, located at 4375 Pala Mesa Dr., Fallbrook. Use of FMF funds for this facility was originally approved by the FMF Committee in FY 02/03 and again in FY 06/07. The new anticipated total cost for construction is \$6,581,165.

If either you or the Committee has any questions, please contact me at (760) 723-2012.

Sincerely,

A handwritten signature in blue ink that reads "Stephen Abbott". The signature is written in a cursive, flowing style.

Stephen J. Abbott  
Fire Chief/CEO

## DATE: 7/25/2016

FISCAL YEAR: 1998

**RESPONDENT:** Stephen Abbott, MD, Chief

### SYNOPSIS:

**E-Mail:** [info@hugoboss.com](mailto:info@hugoboss.com)

**PHONE: 781.201.2**

Customer Participation in Process	Standardize Variables	Standardize Data	Assess   select Report Response?	Multi-Year Expenditure Per Customer?	Standardize Number Expenditure Data	Five-Year Expenditure Issue?

[illegible]

100-1000 mg/day  
 100-1000 mg/day  
 100-1000 mg/day

Added	\$7,628,000 new total NCF PD - 2
<b>GENERAL FUND</b>	
advised advance request project budgeted balance after than negative program balance- new shown as "DUE TO PROJECT"	
Added	\$20,922,500 existing total NCF PD - 2



**AFFIDAVIT OF PUBLICATION FALLBROOK, CALIFORNIA 92028  
COUNTY OF SAN DIEGO, STATE OF CALIFORNIA**

I am a citizen of the United States,  
over twenty-one years of age, and  
the Assistant Editor of said  
newspaper The Village News, Inc.,  
111 W. Alvarado St., Fallbrook, CA 92028  
a newspaper adjudicated by the Superior Court,  
County of San Diego GIN013243 is a newspaper  
of general circulation, published and is circulated  
at least once a week in Fallbrook, County of  
San Diego, State of California.

**The Notice of \_\_\_\_\_**  
**Public Notice for Public Hearing**  
North County Fire Protection District

**Legal Number: NA**

Which the attached is a true printed copy, and  
Published in said newspaper for 2 weeks,  
and on the following days:  
05/31/18, 06/07/18

in the regular issue of said newspaper,  
**THE VILLAGE NEWS, INC.,**  
**111 W. Alvarado St., Fallbrook, CA 92028**  
and not in any other supplement.  
I certify and declare under penalty that  
this statement is true and correct to the  
best of my knowledge.

Dated: June 7, 2018  
Fallbrook, California, 92028



Signature

**LUCETTE MORAMARCO**  
**ASSISTANT EDITOR**

**PUBLIC NOTICE**

**NOTICE IS HEREBY GIVEN** THAT THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT, 330 South Main Avenue, Fallbrook, California, County of San Diego, will conduct a Public Hearing on **Tuesday, July 24, 2018, at a time certain of 5:15 p.m.** at the Fallbrook Public Utility District, 990 East Mission Road, Fallbrook, California, to establish a **Multi-Year Facilities and Equipment Plan for the Fire Mitigation Fee Program** to comply with Government Code §§66000-66002 and the County of San Diego Fire Mitigation Fee Ordinance.

Any taxpayer may appear at said time and place and be heard regarding this item.

Patty Koch, Fire Marshal  
North County Fire Protection District  
(760) 723-2040

**BY ORDER OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT.**

Loren Stephen-Porter  
Board Secretary  
Dated: May 22, 2018

Published: May 31, June 7, 2018

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**NORTH COUNTY FIRE  
PROTECTION DISTRICT**  
FIRE PREVENTION

**TO:** BOARD OF DIRECTORS

**FROM:** FM KOCH AND CHIEF ABBOTT

**DATE:** JULY 24, 2018

**SUBJECT:** APPROVE/AUTHORIZE FIXED CHARGE SPECIAL ASSESSMENT FOR WEED ABATEMENT

**ACTION AGENDA**

**Recommendation:**

Staff recommends the Board approve and authorize Staff to deliver the Fixed Charge Special Assessment forms to San Diego Property Tax Services on or before the deadline of August 10<sup>th</sup>, 2018.

**Background:**

The Fire Prevention Bureau is responsible for the annual weed abatement of properties with hazardous growth that is not maintained by property owners. Throughout the year, Staff has mailed weed abatement notices to those property owners who have a known or existing fire hazard on their parcel(s). The District maintains a Special Services Agreement with California Tree Services, Inc. to bring specifically hazardous properties into compliance with North County Fire Protection District's Ordinance No. 2016-02.

Property owners are required to remove dead/dying vegetation and annual growth from their property, maintaining the parcel in accordance with the District's Ordinance. Those who have failed to comply with District notices to abate within a specified time-period have been brought to compliance by the District's Special Service contractor. The property owners have been invoiced for the final costs and fees associated with abating their parcel.

**Discussion:**

The majority of property owners who received a Notice to Abate willingly complied within the timeframe allowed; however, some parcels were cleared by the Fire District.

**APPROVE/AUTHORIZE FIXED CHARGE  
SPECIAL ASSESSMENT FOR WEED ABATEMENT  
JULY 24, 2018  
PAGE 2 OF 2**

Administrative Staff has mailed courtesy notices and invoices requesting payment to the following non-compliant property owners:

APN	COST TO ABATE	ADMIN FEES	TOTAL
123-340-23-00	\$3,800.00	\$867.00	\$4,667.00
108-081-12-00	\$5,400.00	\$867.00	\$6,267.00
106-571-22-00	\$1,600.00	\$867.00	\$2,467.00
<b>TOTAL</b>	<b>\$10,800.00</b>	<b>\$2,601.00</b>	<b>\$13,401.00</b>

On June 21, 2018, the list of non-compliant property owners was posted the minimum (3) days prior to the Board of Directors meeting on June 26<sup>th</sup> and has remained posted since that date. To date, all three property owners have failed to pay and remain on the list. The list will be delivered to the County of San Diego no later than August 10<sup>th</sup>, 2018, should they not pay by the close of business on July 31<sup>st</sup>.

The County of San Diego will reimburse the Fire District for all charges, including the administrative fees and will include them on the owner's next property tax bill.



**NORTH COUNTY FIRE  
PROTECTION DISTRICT**  
ADMINISTRATIVE SERVICES

**TO:** BOARD OF DIRECTORS  
**FROM:** DEPUTY CHIEF MAROVICH AND CHIEF ABBOTT  
**DATE:** JULY 24, 2018  
**SUBJECT:** LEASE PURCHASE AGREEMENT FOR REMOUNTING AN AMBULANCE

## **ACTION AGENDA**

### **RECOMMENDATION:**

1. Approve Resolution 2018-14 certifying approval of Master Equipment Lease Purchase Agreement;
2. Authorize District Staff to execute the necessary contractual documents.

### **BACKGROUND:**

As a result of increased call volume, longer transportation distances to our local receiving facilities and financial restraints the replacement of our ambulance fleet has become somewhat of a moving target. In prior years, our ambulances would remain in a front-line status for 5-7 years with a typical mileage count of 100,000 miles. In the most recent years, we are now seeing our ambulances with an excess of 100,000 miles within a three-year period. This increase in usage and the ongoing financial restraints has put a strain on our existing fleet of ambulances and is requiring that the organization re-evaluate the ambulance replacement schedule on an ongoing basis. The purchase being discussed in this report will include a new chassis and remounting the 2013 Life Line ambulance module.

### **DISCUSSION:**

Staff has secured a lease/purchase agreement with Community Leasing Partners, at an interest rate of 4.294%, payable in payable in three (3) equal annual payments of \$50,793.71, commencing October 1, 2018. As there will be no residual on the lease after the final payment is received on October 1, 2020, the District will own this ambulance free and clear. It is anticipated that the District should take receipt of this new ambulance late August of this year.

Lease Purchase Financing (LPF) is a method for local governments and nonprofits to acquire the property and equipment they need through manageable installment payments consisting of principal and interest. The customer takes an ownership interest in the

**LEASE PURCHASE AGREEMENT FOR NEW AMBULANCE**  
**JULY 24, 2018**  
**Page 2 of 2**

property from the onset of the lease and builds equity with each installment payment. At the end of the repayment term, the customer receives the property free and clear. Sold to investors as a tax-exempt municipal lease, lease purchases offer an attractive investment that keeps interest rates low for the lessee.

**FISCAL ANALYSIS:**

The purchase price for this vehicle remount is \$145,000.00 and over the course of the lease, the District will incur a total of \$7,381.12 in interest charges, for a total cost of \$152,381.12.

**SUMMARY:**

Authorizing Staff to enter into a lease/purchase agreement with Community Leasing Partners and approve Resolution 2018-14, which will allow the District to move forward with remount of a new ambulance.



# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-14

A RESOLUTION OF THE BOARD OF DIRECTORS, NORTH COUNTY FIRE PROTECTION DISTRICT, SAN DIEGO COUNTY, STATE OF CALIFORNIA, BETWEEN COMMUNITY FIRST NATIONAL BANK AS LESSOR, AND NORTH COUNTY FIRE PROTECTION DISTRICT AS LESSEE.

**RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

I, the undersigned, the duly appointed, qualified and acting Board Secretary of the above captioned Lessee do hereby certify this date July 24, 2018, as follows:

- (1) Lessee did, at a meeting of the governing body of the Lessee held on July 24, 2018 by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above referenced Schedule of Equipment No. 01 (the "Schedule") on its behalf by the following named representative of the Lessee, to witness:

\_\_\_\_\_  
Authorized Signer: Kenneth Munson, President

- (2) The above-named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.
- (3) The meeting of the governing body of the Lessee at which the Schedule was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Schedule and authorizing the execution thereof has not been altered or rescinded.
- (4) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the above referenced Master Equipment Lease Purchase Agreement) exists at the date hereof.
- (5) All insurance required in accordance with the above referenced Master Equipment Lease Purchase Agreement is currently maintained by the Lessee.
- (6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the above referenced Master Equipment Lease Purchase Agreement) and such funds have not been expended for other purposes.
- (7) The fiscal year of Lessee is from July 1 to June 30.

The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this resolution.

### North County Fire Protection District

Attested By:

\_\_\_\_\_  
Stephen Abbott, Fire Chief/CEO

Certified By:

\_\_\_\_\_  
Loren A. Stephen-Porter, Board Secretary





# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-14

A RESOLUTION OF THE BOARD OF DIRECTORS, NORTH COUNTY FIRE PROTECTION DISTRICT, SAN DIEGO COUNTY, STATE OF CALIFORNIA, BETWEEN COMMUNITY FIRST NATIONAL BANK AS LESSOR, AND NORTH COUNTY FIRE PROTECTION DISTRICT AS LESSEE.

**APPROVED, ADOPTED AND SIGNED** by a Regular Meeting of the Board of Directors of the North County Fire Protection District held on this **24th day of July, 2018**, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RECUSED:**

\_\_\_\_\_  
Kenneth Munson, Board President

**I HEREBY CERTIFY** that foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District at the meeting thereof held on the **24th day of July, 2018**, and that the same now appears on record in my office.

**IN WITNESS THEREOF**, I hereunto set my hand and affixed by official seal this this **24th day of July, 2018**.

\_\_\_\_\_  
Loren A. Stephen-Porter, Board Secretary

Official Seal



215 S. Seth Child Road  
Manhattan, KS 66502  
Phone: 888.777.7850  
Fax: 888.777.7875  
[www.clpusa.net](http://www.clpusa.net)

July 13, 2018

Kevin Mahr  
North County Fire Protection District  
330 S. Main Avenue  
Fallbrook, CA 92028

**RE: Financing for One (1) New Lifeline Ambulance Remount (New Chassis) with Equipment**

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Dear Kevin,

Thank you for the opportunity to work with North County Fire Protection District on your financing project!

This package includes the documentation with instructions to complete financing of the equipment.

Community First National Bank is listed as Lessor to this Agreement. Community Leasing Partners is a division of Community First National Bank and is the exclusive marketing, origination and placement agent for the bank.

Please return all documents with original signatures by 7/26/2018 to avoid any potential change in the payments or interest rate.

**This Agreement requires three different signers from the North County Fire Protection District and an attorney's opinion letter.**

Signer 1- Kenneth Munson, President

Signer 2- Stephen Abbott, Fire Chief

Signer 3- Loren A. Stephen-Porter OR Cherie Juul, Secretary OR Acting Secretary

Upon receipt of all listed documents; delivery of the equipment and your approval of the equipment invoice; we will remit payment to the vendor. This transaction is subject to acceptance of the documentation and final review and approval by the Lessor.

If you have any questions regarding the documentation, please feel free to contact me at 888.777.7850.

Respectfully,

*Cindy*

Cindy Turner  
Assistant Vice President-Leasing Operation

## Documentation Instructions

### ◇ MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

- ☐ Kenneth Munson -sign where indicated

### ◇ Exhibit A – SCHEDULE OF EQUIPMENT

- ☐ Kenneth Munson -sign where indicated

### ◇ Attachment 1 – EQUIPMENT DESCRIPTION

- ☐ Provide physical location where the equipment will be kept after delivery/installation

### ◇ Attachment 2 –PAYMENT SCHEDULE

- ☐ Kenneth Munson -sign where indicated

### ◇ Exhibit B – LESSEE RESOLUTION

- ☐ Print the date the Resolution is being signed
- ☐ Print the date of the meeting in which the financing was approved
- ☐ Kenneth Munson -sign as "Authorized Signer"
- ☐ Complete the lessee's fiscal year start and end months
- ☐ Stephen Abbott -attest the Resolution as "Attested By"
- ☐ Loren A. Stephen-Porter OR Cherie Juul -sign and print name as "Certified By"

### ◇ Exhibit C - OPINION OF COUNSEL

- ☐ Request your legal counsel provide an Opinion of Counsel using the example provided; retyped on his/her letterhead with their signature (*If counsel would like changes, he/she must first contact CLP*)

### ◇ Exhibit D - ACCEPTANCE CERTIFICATE

- ☐ Kenneth Munson -sign and date where indicated

### ◇ BANK QUALIFIED CERTIFICATE

- ☐ Kenneth Munson -sign where indicated

### ◇ INSURANCE COVERAGE REQUIREMENTS

- ☐ Provide Agent's contact information
- ☐ Kenneth Munson -sign where indicated

### ◇ INVOICE INSTRUCTIONS

- ☐ Complete contact information for payment billing invoices

### ◇ ESCROW AGREEMENT

- ☐ Kenneth Munson- sign where indicated

### ◇ Exhibit A- PAYMENT REQUEST FORM/ SIGNATURE CARD

- ☐ Kenneth Munson- sign where indicated

### ◇ TAX COMPLIANCE WITH NO ARBITRAGE

- ☐ Kenneth Munson- sign and date where indicated

### ◇ 8038 - IRS Form

- ☐ Verify employer identification number in Box 2
- ☐ Complete Boxes 10a & 10b
- ☐ Kenneth Munson -sign and date where indicated under "Signature and Consent"

### ◇ ADDITIONAL DOCUMENTATION NEEDED PRIOR TO VENDOR PAYMENT (at delivery):

- ☐ Certificate of Insurance from your insurance provider

#### **Conditions to Funding**

*If, for any reason: (i) the required documentation is not returned by 7/26/2018, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstances which adversely affects the expectations, rights or security of the Lessor or its assignees, then Lessor or its assignees reserves the right to adjust the quoted interest rate or withdraw/void its offer to fund this transaction in its entirety.*

*This contract is being issued based upon review of credit and financial materials provided by lessee that resulted in a credit approval decision. CLP is committed to working with the lessee on this transaction throughout the entire process. Failure to complete the lease in its entirety may result in a \$500 documentation fee being charged. This fee is for credit analysis, drafting of the contract, overnight services and expenses incurred in processing this agreement.*

# MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

**LESSEE: North County Fire Protection District**

This Master Equipment Lease Purchase Agreement, including all exhibits and schedules hereto whether currently in existence or hereafter executed (the "Agreement"), dated as of 7/24/2018, and entered into between Community First National Bank 215 S. Seth Child Rd, Manhattan, KS 66502 ("Lessor"), and North County Fire Protection District, 330 S. Main Avenue, Fallbrook, CA 92028 a body corporate and politic duly organized and existing under the laws of the State of California ("Lessee");

## RECITALS

WHEREAS, Lessee desires to lease from Lessor certain equipment described in the schedules to this Agreement, substantially in the form of Exhibit A hereto, that are executed from time to time by the parties hereto (such schedules are hereby incorporated herein and are hereinafter collectively referred to as the "Schedules", and the items of equipment leased to Lessee hereunder, together with all substitutions, proceeds, replacement parts, repairs, additions, attachments, accessories and replacements thereto, thereof or therefore, are hereinafter collectively referred to as the "Equipment") subject to the terms and conditions of and for the purposes set forth in this Agreement.

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment may be added to or deleted from the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein.

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein.

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

## ARTICLE I. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE

Section 1.01. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

- (a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and affect its existence as a body corporate and politic.
- (c) Lessee is a political subdivision of the State within the meaning of Section 103(a) of the Code or a constituted authority authorized to issue obligations on behalf of a state or local governmental unit within the meaning of the regulations promulgated pursuant to said Section of the Code.
- (d) Lessee has full power and authority under the Constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby, and to perform all of its obligations hereunder.
- (e) Lessee has duly authorized the execution and delivery of this Agreement by proper action by its governing body at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the enforceability of this Agreement.
- (f) Lessee has complied or will comply with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment.
- (g) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.
- (h) During the Lease Term, Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor.
- (i) The Equipment will have a useful life in the hands of Lessee that is substantially in excess of the Original Term and all Renewal Terms.
- (j) The Equipment is, and during the Lease Term will remain personal property and when subjected to use by the Lessee, will not be or become fixtures.
- (k) The Equipment is essential to the function of the Lessee and the services provided to its citizens, and will be used throughout the period that this Agreement is in force for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.
- (l) During the term of this Agreement, Lessee will not dispose of or sell any part of the Equipment.
- (m) Lessee has not terminated a lease, rental agreement, installment purchase contract, or any other such agreement in the past five (5) years as a result of insufficient funds being appropriated for payments due under such an agreement.
- (n) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (o) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.
- (p) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the current fiscal year and to meet its other obligations under this Agreement for the current fiscal year, and such funds have not been expended for other purposes.
- (q) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefore, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.
- (r) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.
- (s) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

## ARTICLE II. DEFINITIONS

Section 2.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Master Equipment Lease Purchase Agreement, including the Schedules and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, whether currently in existence or hereafter executed, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations in effect thereunder.

"Commencement Date" means, with respect to any Schedule, the date when the Lease Term of this Agreement with respect to that Schedule and Lessee's



obligation to pay rent under that Schedule commence, which date will be the earlier of (i) the date of the Agreement, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Escrow Agent.

"Equipment" means the property described in the Schedules and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto. Whenever reference is made in this Agreement to Equipment listed in a Schedule, that reference shall be deemed to include all replacements, repairs, restorations, modifications and improvements of or to that Equipment.

"Event of Default" means, with respect to any Lease, an Event of Default described in Section 10.01.

"Escrow Agreement" means, with respect to a given Schedule, an escrow agreement in form and substance satisfactory to Lessor, between Lessee, Lessor and an escrow agent relating to the acquisition fund created thereunder.

"Lease" means, at any time, (i) if none of Lessor's interest in, to and under any Schedule has been assigned pursuant to Section 9.01, or if all of Lessor's interest in, to and under this Agreement and all Schedules have been assigned to the same assignee without any reassignment, this Agreement, or (ii) if Lessor's interest in, to and under any Schedule or Schedules has been assigned or reassigned pursuant to Section 9.01, all Schedules that have the same Lessor and this Agreement as it relates to those Schedules and the Equipment listed therein, which shall constitute a separate single lease relating to that Equipment.

"Lease Term" means, with respect to any Lease, the Original Term and all Renewal Terms of that Lease.

"Lessee" means the entity which is described in the first paragraph of this Agreement, its successors and assigns.

"Lessor" means, with respect to each Schedule and the Lease of which that Schedule is a part, (i) if Lessor's interest in, to and under that Schedule has not been assigned pursuant to Section 9.01, the entity described as such in the first paragraph of this Agreement or its successor, or (ii) if Lessor's interest in, to and under that Schedule has been assigned pursuant to Section 9.01, the assignee thereof or its successor.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

"Original Term" means, with respect to any Lease, the period from the first Commencement Date for any Schedule under that Lease until the end of the fiscal year of Lessee in effect at that Commencement Date.

"Purchase Option Price" means, with respect to the Equipment listed on any Schedule, the amount set forth in that Schedule as the Purchase Option Price for that Equipment.

"Renewal Terms" means, with respect to any Lease, the automatic renewal terms of that Lease, as provided for in Article III of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in the Schedule.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to Section 4.02.

"State" means the state in which Lessee is located.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

### **ARTICLE III. LEASE TERM**

**Section 3.01. Lease of Equipment.** Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment listed in each Schedule in accordance with this Agreement and that Schedule for the Lease Term for the Lease of which that Schedule is a part. The Lease Term for each Lease may be continued at the end of the Original Term or any Renewal Term for an additional Renewal Term, provided, however, that at the end of the Original Term and at the end of each Renewal Term, Lessee shall be deemed to have continued that Lease for the next Renewal Term unless Lessee shall have terminated that Lease pursuant to Section 4.05 or Section 5.04. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Schedules. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

**Section 3.02. Continuation of Lease Term.** Lessee currently intends, subject to Section 4.05, to continue the Lease Term for each Lease through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Lease Term for each Lease can be obtained. The responsible financial officer of Lessee shall do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for the Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend a Lease for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

**Section 3.03. Return of Equipment on Termination.** Upon expiration or earlier termination of any Schedule under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment described in that Schedule under the provisions of this Agreement, Lessee shall deliver, at Lessee's expense, the Equipment described in that Schedule to Lessor in the same condition as existed at the Commencement Date, ordinary wear and tear expected, packaged or otherwise prepared in a manner suitable by shipment by truck or rail common carrier at a location specified by Lessor.

**Section 3.04. Conditions to Lessor's Performance under Schedules.** As a prerequisite to the performance by Lessor of any of its obligations pursuant to the execution and delivery of any Schedule, Lessee shall deliver to Lessor the following:

- (a) A Lessee Resolution executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit B, completed to the satisfaction of Lessor;
- (b) An Opinion of Counsel to Lessee in substantially the form attached hereto as Exhibit C respecting such Schedule and otherwise satisfactory to Lessor;
- (c) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time;
- (d) Such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor.

This Agreement is not a commitment by Lessor to enter into any Schedule not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Schedule, it being understood that whether Lessor enters into any proposed Schedule shall be a decision solely within Lessor's discretion.

Lessee will cooperate with Lessor in Lessor's review of any proposed Schedule. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Schedule. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

### **ARTICLE IV. RENTAL PAYMENTS**

**Section 4.01. Rental Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**Section 4.02. Payment of Rental Payments.** Lessee shall pay Rental Payments, from any and all legally available funds, in lawful money of the United States of America, exclusively to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in each Schedule. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payments will be payable without notice or demand at the office of Lessor (or such other place as Lessor may from time to time designate in writing). If any Rental Payment or other sum payable under any Schedule is not paid when due, Lessee shall pay to Lessor accrued interest on such delinquent amount from the date due thereof until paid at the lesser of 18% or the maximum rate allowed by law. In the event that it is determined that any of the interest



components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on the date of each Rental Payment thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

**Section 4.03. Interest and Principal Components.** A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Schedule will set forth the interest component and the principal component of each Rental Payment during the Lease Term.

**Section 4.04. Rental Payments to be Unconditional.** The obligations of Lessee to make payment of the Rental Payments required under this Article IV and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other dispute between Lessee and Lessor, any Vendor or any other person, Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then-current Renewal Term for each Schedule shall not be abated through accident or unforeseen circumstances.

**Section 4.05. Non appropriation.** Lessee is obligated only to pay such Rental Payments under this Agreement (and any additional amounts due hereunder, if applicable) as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under a Lease following the then current Original Term or Renewal Term, that Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver written notice to Lessor of such termination at least 60 days prior to the end of the then current Original Term or Renewal Term, but failure to give such written notice shall not extend the term beyond such Original Term or Renewal Term.

## **ARTICLE V. TITLE TO EQUIPMENT; SECURITY INTEREST; OPTION TO PURCHASE**

**Section 5.01. Title to the Equipment.** Upon acceptance of the Equipment by Lessee, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title to the Equipment that is subject to any Lease shall thereafter immediately and without any action by Lessee vest in Lessor, and Lessee shall immediately surrender possession of that Equipment to Lessor, upon (a) any termination of that Lease other than termination pursuant to Section 5.04, or (b) the occurrence of an Event of Default with respect to that Lease. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

**Section 5.02. Security Interest.** To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on (i) the Equipment and on all additions, attachments, accessions, that are considered to be an integral part of the equipment, and substitutions thereto, and on any proceeds there from, and (ii) the acquisition fund established under any Escrow Agreement entered into in connection therewith. Lessee agrees to execute such additional documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment. Lessee hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with the security interest granted hereunder.

**Section 5.03. Personal Property.** Lessor and Lessee agree that the Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

**Section 5.04. Option to Purchase.** Lessee shall have the option to purchase Lessor's interest in all (but not less than all) of the Equipment described in any Schedule, upon giving written notice to Lessor at least 60 (but not more than 180) days before the date of purchase, at the following times and upon the following terms:

- (a) On the date of the last Rental Payment set forth in that Schedule (assuming this Agreement is renewed at the end of the Original Term and each Renewal Term), if the Agreement is still in effect on such day, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus One Dollar;
- (b) On the last day of the Original Term or any Renewal Term then in effect, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus the then applicable Purchase Option Price set forth in that Schedule; or
- (c) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in that Schedule on the day specified in Lessee's written notice to Lessor of its exercise of the purchase option upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule, including, without limitation, interest accrued to the date of payment, plus the then applicable Purchase Option Price set forth in that Schedule.

## **ARTICLE VI. DELIVERY, MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES**

**Section 6.01. Delivery, Installation and Acceptance of Equipment.** Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the locations specified in the Schedules and pay any and all delivery and installation costs in connection therewith. When the Equipment listed in any Schedule has been delivered and installed, Lessee shall immediately accept such Equipment and evidence said acceptance by executing and delivering to Lessor an Acceptance Certificate in the form attached hereto as Exhibit D.

**Section 6.02. Location; Inspection.** Once installed, no item of the Equipment will be moved from the location specified for it in the Schedule on which that item is listed without Lessor's consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

**Section 6.03. Maintenance of Equipment by Lessee.** Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment. Lessee shall not make material modifications to the Equipment without the prior consent of Lessor.

**Section 6.04. Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Equipment free of all liens, charges and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the Lease Term. Lessee will take no action that will cause the interest portion of any Rental payment to become includable in gross income of the recipient for purposes of federal income taxation under the Code, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such interest from being includable in gross income for purposes of federal income taxation under the Code. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the interest component of each Rental Payment being excluded from Lessor's income pursuant to the Code.

**Section 6.05. Provisions Regarding Insurance.** At its own expense, Lessee shall maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the replacement cost of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b); provided further that, if Lessor provides such consent Lessee shall provide to Lessor information with respect to such self-insurance program as Lessor may request from time to time. All insurance proceeds from casualty losses shall be payable as hereinafter provided. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. All such casualty and liability insurance shall be with insurers that are acceptable to Lessor, shall name Lessor as a loss payee and an additional insured, respectively, and shall contain a provision to the effect that such insurance shall not be canceled or modified materially without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification. All such casualty insurance shall contain a provision making any losses payable to Lessee and Lessor as their respective interests may appear.

**Section 6.06. Advances.** In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition, Lessor may (but shall be under no obligation to) purchase the required insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefore by Lessor shall constitute additional rent for the then-current Original Term or Renewal Term, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date advanced until paid at the rate of 18% per annum or the maximum interest rate permitted by law, whichever is less.

## **ARTICLE VII. DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS**

**Section 7.01. Risk of Loss.** Lessee is responsible for the entire risk of loss of or damage or destruction to the Equipment. No such loss, damage or destruction shall relieve Lessee of any obligation under this Agreement or any Lease.

**Section 7.02. Damage, Destruction and Condemnation.** If (a) the Equipment listed on any Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of that Equipment, unless Lessee shall have exercised its option to purchase that Equipment pursuant to Section 5.04. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

**Section 7.03. Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to in Section 7.02, Lessee shall either complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, unless Lessee, pursuant to Section 5.04, purchases Lessor's interest in the Equipment destroyed, damaged or taken and any other Equipment listed in the same Schedule. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing Lessor's interest in the Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

## **ARTICLE VIII. DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT**

**Section 8.01. Disclaimer of Warranties.** LESSEE HAS SELECTED THE EQUIPMENT AND THE VENDORS. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY OR REPRESENTATION WITH RESPECT THERETO. In no event shall Lessor be liable for an incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or service provided for in this Agreement.

**Section 8.02. Vendor's Warranties.** Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against Lessor, nor shall such matter have any effect, whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

**Section 8.03. Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment; provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the title of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

**Section 8.04. Essential Nature of the Equipment.** Lessee confirms and affirms that the Equipment is essential to the function of Lessee and the services provided to its citizens, that there is an immediate need for the Equipment which is not temporary or expected to diminish in the foreseeable future, and that Lessee will use substantially all the Equipment for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.

## **ARTICLE IX. ASSIGNMENT, SUBLEASING, INDEMNIFICATION, MORTGAGING AND SELLING**

**Section 9.01. Assignment by Lessor.** Lessor's interest in, to, and under this Agreement; any Lease and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor at any time subsequent to its execution. Lessee hereby agrees to maintain a written record of each such assignment in form necessary to comply with Section 149(a) of the Code. No such assignment shall be binding on Lessee until it has received written notice from Lessor of the assignment disclosing the name and address of the assignee. Lessee agrees to execute all documents, including chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in the Equipment and in this Agreement. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may from time to time have against Lessor.

**Section 9.02. Assignment and Subleasing by Lessee.** None of Lessee's interest in, to and under this Agreement and in the Equipment may be sold, assigned, subleased, pledged or otherwise encumbered by Lessee without the prior written consent of Lessor.

**Section 9.03. Release and Indemnification Covenants.** To the extent permitted by law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liabilities, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and all expenses in connection therewith (including, without limitation, counsel fees and expenses, penalties connected therewith imposed on interest received) arising out of or as (a) result of the entering into of this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacture, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.



## **ARTICLE X. EVENTS OF DEFAULT AND REMEDIES**

**Section 10.01. Events of Default Defined.** Subject to the provisions of **Section 4.05**, any of the following events shall constitute an "Event of Default" under any Lease:

- (a) Failure by Lessee to pay any Rental Payment or other payment required to be paid under that Lease at the time specified in that Lease;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed under that Lease, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;
- (c) Any statement, representation or warranty made by Lessee in or pursuant to that Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Any provision of that Lease shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee shall deny that it has any further liability or obligation under that Lease.
- (e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

**Section 10.02. Remedies on Default.** Whenever any Event of Default under any Lease exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) By written notice to Lessee, declare all Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term to be due;
- (b) With or without terminating that Lease, Lessor may, upon 5 days written notice to Lessee, enter the premises where any Equipment that is subject to that Lease is located and retake possession of that Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee under that Lease plus the then-applicable Purchase Option Price for that Equipment and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due under that Lease plus the remaining Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term; and
- (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Lease or as the owner of any or all of the Equipment that is subject to that Lease.

In addition, whenever an Event of Default exists with respect to any Rental Payment required by a particular Schedule or with respect to any other payment, covenant, condition, agreement, statement, representation or warranty set forth in that Schedule or applicable to that Schedule or the Equipment listed therein, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (d) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to that Schedule and other amounts payable by Lessee under this Agreement to the end of the then current Original Term or Renewal Term to be due;
- (e) With or without terminating that Schedule, Lessor may, upon 5 days written notice to Lessee, enter the premises where the Equipment listed in that Schedule is located and retake possession of that Equipment or require Lessee at Lessee's expense to promptly return any or all of that Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease that Equipment or, for the account of Lessee, sublease that Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments payable by Lessee pursuant to that Schedule and other amounts related to that Schedule or the Equipment listed therein that are payable by Lessee hereunder plus the then applicable Purchase Option Price for that Equipment, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (e) shall not exceed the Rental Payments and other amounts otherwise due under that Schedule plus the remaining Rental Payments and other amounts payable by Lessee under that Schedule to the end of the then current Original Term or Renewal Term; and
- (f) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Schedule, this Agreement with respect to that Schedule and the Equipment listed therein.

In addition to the remedies specified above, Lessor may charge interest on all amounts due to it at the rate of 10% per annum or the maximum amount permitted by law, whichever is less. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities under any other Schedules, this Agreement related to any other Schedule or the Equipment listed therein.

**Section 10.03. No Remedy Exclusive.** No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this lease. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient by Lessor or its assignee.

**Section 10.04. Agreement to Pay Attorneys' Fees and Expenses.** If Lessee should default under any of the provisions hereof and Lessor should employ attorneys or incur other expenses for the collection of moneys or for the enforcement of performance or observance of any obligation or agreement on the part of Lessee contained in this Agreement, Lessee agrees, to the extent it is permitted by law to do so, that it will, if assessed by a court of competent jurisdiction, pay to Lessor the reasonable fees of those attorneys and other reasonable expenses so incurred by Lessor.

**Section 10.05. Application of Moneys.** Any net proceeds from the exercise of any remedy hereunder (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees) shall be applied as follows:

- (a) If such remedy is exercised solely with respect to a single Schedule, Equipment listed in that Schedule or rights under the Agreement related to that Schedule, then to amounts due pursuant to that Schedule and other amounts related to that Schedule or that Equipment.
- (b) If such remedy is exercised with respect to more than one Schedule, Equipment listed in more than one Schedule or rights under the Agreement related to more than one Schedule, then to amounts due pursuant to those Schedules pro rata.

## ARTICLE XI. MISCELLANEOUS

**Section 11.01. Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

**Section 11.02. Binding Effect; Entire Agreement; Amendments and Modifications.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; nor shall any such amendment that affects the rights of Lessor's assignee be effective without such assignee's consent. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 11.03. Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**Section 11.04. Severability.** In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 11.05. Amendments, Changes and Modifications.** This Agreement may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee.

**Section 11.06. Execution in Counterparts; Chattel Paper.** This Agreement, including in writing each Schedule, may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; except (1) to the extent that various Schedules and this Agreement as it relates thereto constitutes separate Leases as provided in this Agreement and (2) that Lessor's interest in, to and under any Schedule and the Agreement as it relates to that Schedule, and the Equipment listed in that Schedule may be sold or pledged only by delivering possession of the original counterpart of that Schedule marked "Counterpart No. 1," which Counterpart No. 1 shall constitute chattel paper for purposes of the Uniform Commercial Code.

**Section 11.07. Usury.** The parties hereto agree that the charges in this Agreement and any Lease shall not be a violation of usury or other law. Any such excess charge shall be applied in such order as to conform this Agreement and such Lease to such applicable law.

**Section 11.08. Jury Trial Waiver.** To the extent permitted by law, lessee agrees to waive its right to a trial by jury.

**Section 11.09. Facsimile Documentation.** Lessee agrees that a facsimile copy of this Agreement or any Lease with facsimile signatures may be treated as an original and will be admissible as evidence of this Agreement or such Lease.

**Section 11.10. Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

**Lease No. 62431**

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

**LESSOR:**

Community First National Bank

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

## EXHIBIT A

### SCHEDULE OF EQUIPMENT NO. 01, Dated 7/24/2018

Counterpart No. 1.

LESSOR'S INTEREST IN, TO AND UNDER THIS SCHEDULE AND THE AGREEMENT AS IT RELATES TO THIS SCHEDULE MAY BE SOLD OR PLEDGED ONLY BY DELIVERING POSSESSION OF COUNTERPART NO. 1 OF THIS SCHEDULE, WHICH COUNTERPART NO. 1 SHALL CONSTITUTE CHATTEL PAPER FOR PURPOSES OF THE UNIFORM COMMERCIAL CODE.

Re: Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.

1. **Defined Terms.** All terms used herein have the meanings ascribed to them in the above referenced Master Equipment Lease Purchase Agreement (the "Master Equipment Lease").
2. **Equipment.** The Equipment included under this Schedule of Equipment is comprised of the items described in the Equipment Description attached hereto as **Attachment 1**, together with all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.
3. **Payment Schedule.** The Rental Payments and Purchase Option Prices under this Schedule of Equipment are set forth in the Payment Schedule attached as **Attachment 2** hereto.
4. **Representations, Warranties and Covenants.** Lessee hereby represents, warrants, and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of commencement of Rental Payments on this Schedule.
5. **The Master Equipment Lease.** This Schedule is hereby made as part of the Master Equipment Lease and Lessor and Lessee hereby ratify and confirm the Master Equipment Lease. The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated by reference and made a part hereof.

Lease Number: 62431

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

**LESSOR:**

Community First National Bank

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title



## ATTACHMENT 1 EQUIPMENT DESCRIPTION

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**RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

**Lease Number: 62431**

One (1) New Lifeline Ambulance Remount (New Chassis) with Equipment

With a total acquisition cost of \$145,000.00; together with all additions, accessions and replacements thereto. Lessee hereby certifies the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Master Equipment Lease Purchase Agreement and the Equipment is located on the premise of the Lessee unless otherwise noted by the Lessee.

Physical location where equipment will be stored after delivery: \_\_\_\_\_

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

## ATTACHMENT 2 PAYMENT SCHEDULE

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RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.

Lease Number: 62431

Amount Financed: \$145,000.00

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	10/1/2018	\$50,793.71	\$1,193.38	\$49,600.33	Not Available
2	10/1/2019	\$50,793.71	\$4,096.47	\$46,697.24	\$49,511.37
3	10/1/2020	\$50,793.71	\$2,091.28	\$48,702.43	\$0.00

**LESSEE:**

North County Fire Protection District

---

Kenneth Munson, President

## EXHIBIT B

### LESSEE RESOLUTION

**Re: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

I, the undersigned, the duly appointed, qualified and acting **Secretary OR Acting Secretary** of the above captioned Lessee do hereby certify this date \_\_\_\_\_, as follows:

- (1) Lessee did, at a meeting of the governing body of the Lessee held on \_\_\_\_\_, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above referenced Schedule of Equipment No. 01 (the "Schedule") on its behalf by the following named representative of the Lessee, to witness:

\_\_\_\_\_  
**Authorized Signer: Kenneth Munson, President**

- (2) The above named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.
- (3) The meeting of the governing body of the Lessee at which the Schedule was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Schedule and authorizing the execution thereof has not been altered or rescinded.
- (4) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the above referenced Master Equipment Lease Purchase Agreement) exists at the date hereof.
- (5) All insurance required in accordance with the above referenced Master Equipment Lease Purchase Agreement is currently maintained by the Lessee.
- (6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the above referenced Master Equipment Lease Purchase Agreement) and such funds have not been expended for other purposes.
- (7) The fiscal year of Lessee is from \_\_\_\_\_ to \_\_\_\_\_.

The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this resolution.

**North County Fire Protection District**

**Attested By:** \_\_\_\_\_  
Stephen Abbott, Fire Chief

**Certified By:** \_\_\_\_\_  
Loren A. Stephen-Porter, Secretary OR Cherie Juul, Acting Secretary

## EXHIBIT C

### OPINION OF LESSEE'S COUNSEL

*(Must be re-Printed onto attorney's letterhead)*

(Date)

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

**Re: Lessee: North County Fire Protection District**

Ladies and Gentlemen:

As legal counsel to North County Fire Protection District (the "Lessee"), I have examined (a) an executed counterpart of a certain Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, and Exhibits thereto by and between Community First National Bank (the "Lessor") and Lessee, Schedule of Equipment No. 01, dated 7/24/2018, and a certain Escrow Agreement dated as of 7/24/2018, (collectively, the "Agreement") by and between Lessor and Lessee, which, among other things, provides for the lease with option to purchase by the Lessee of certain property listed in the Schedule (the "Equipment"); (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorizes Lessee to execute the Agreement and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based on the foregoing, I am of the following opinions:

- (1) Lessee's true and correct name is North County Fire Protection District.
- (2) Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power;
- (3) Lessee has the requisite power and authority to lease the Equipment with an option to purchase and to execute and deliver the Agreement and to perform its obligations under the Agreement;
- (4) The Agreement and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee and the Agreement and other documents either attached thereto or required therein are the valid and binding obligations of Lessee enforceable in accordance with their terms;
- (5) The authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and
- (6) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Agreement or the security interest of Lessor or its assigns, as the case may be, in the Equipment.
- (7) The signatures of the officers which appear on the Agreement are true and genuine; I know said officers and know them to hold the offices set forth below their names.
- (8) No further approval, consent or withholding of objection is required from any federal, state or local governmental authority with respect to the entering into or performance by the Lessee of the Lease and the transaction contemplated thereby.
- (9) The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.
- (10) The Lessee is a political subdivision within the meaning of Section 103 of the Internal Revenue Code of 1986 as amended and the related regulations and rulings.
- (11) The leasing of the Equipment pursuant to the Agreement is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease pursuant to the Agreement and the Equipment will be exempt from all state and local personal property or other ad valorem taxes.

All capitalized terms herein shall have the same meanings as in the foregoing Agreement unless otherwise provided herein. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments are entitled to rely on this opinion.

Signature of Legal Counsel



## EXHIBIT D

### ACCEPTANCE CERTIFICATE

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

Ladies and Gentlemen,

**RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

In accordance with the Master Equipment Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) listed in the above referenced Schedule of Equipment (the "Schedule") has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 6.05** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.
- (5) Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
- (6) The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
- (7) The Lessee will in a timely fashion submit the appropriate paperwork to the State to have a title to the Equipment issued in their name as owner and Lessor listed as first lienholder. Such verification of perfected ownership and security interest will be provided to Lessor no later than 90 days from delivery of the Equipment.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

*\*If delivery is not immediate, keep until final delivery.*

## **BANK QUALIFIED CERTIFICATE**

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**RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

Whereas, Lessee hereby represents it is a "Bank Qualified" Issuer for the calendar year in which the above referenced Schedule is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than \$10,000,000 dollars of tax-exempt obligations during the calendar year).

Now, therefor, Lessee hereby designates the above referenced Schedule as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the above referenced Schedule as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the above referenced Schedule is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the above referenced Schedule is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

**LESSEE:**

North County Fire Protection District

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Kenneth Munson, President

## INSURANCE COVERAGE REQUIREMENTS

**Lessee: North County Fire Protection District**

**Please mark one of the following:**

( ) Pursuant to Section 6.05 of the Agreement, you have agreed to provide us evidence of insurance covering the property in the Agreement. A Certificate of Insurance naming all insured parties and coverage must be provided to us as soon as possible, but no later than the date on which delivery of equipment occurs.

( ) Pursuant to Section 6.05 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form, together with a copy of the statute authorizing this form of insurance. Coverage must be provided to us as soon as possible, but no later than the date on which delivery of equipment occurs.

**Equipment to be insured: One (1) New Lifeline Ambulance Remount (New Chassis) with Equipment**

Policy should be issued and mailed to: Community First National Bank and/or Its Assigns  
215 S. Seth Child Road  
Manhattan, KS 66502

### INSURANCE REQUIREMENTS:

#### 1. LIABILITY

- ✓ \$1,000,000.00 Aggregate Bodily Injury
- ✓ \$1,000,000.00 Combined Single Limit per Occurrence
- ✓ Community First National Bank and/or Its Assigns MUST be listed as additional insured and loss payee.

#### 2. PHYSICAL DAMAGE

- ✓ All risk coverage to guarantee proceeds sufficient to cover the replacement cost of the equipment.
- ✓ Community First National Bank and/or Its Assigns MUST be listed as additional insured and loss payee.

#### 3. ENDORSEMENT

- ✓ Lessor will receive at least thirty (30) days written notice from Insurer prior to alteration, cancellation or reduction of insurance coverage.
- ✓ Deductibles should be listed on the Certificate of Coverage

**THE CERTIFICATE SHOULD BE  
EMAILED TO [cindyturner@clpusa.net](mailto:cindyturner@clpusa.net)  
OR FAXED TO: 888.777.7875**

Insurance Company Name:		
Agents Name:		
Address:		
City:	State:	Zip:
Phone:	Fax:	Email:

**LESSEE:**  
North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

## INVOICE INSTRUCTIONS

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**RE: Schedule of Equipment No. 01, dated 7/24/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/24/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

**Lease Number: 62431**

**Equipment Description: One (1) New Lifeline Ambulance Remount (New Chassis) with Equipment**

Please provide contact information for billing and invoicing purposes.

Person/Department: \_\_\_\_\_  
P.O. Box/Street: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

# ESCROW AGREEMENT

**THIS ESCROW AGREEMENT**, made and entered into as of 7/24/2018 by and among Community First National Bank, a national banking association ("Escrow Agent"), Community First National Bank, a corporation duly organized and existing under the Laws of the State of Kansas ("Lessor"), and North County Fire Protection District ("Lessee") a political subdivision under the laws of the State of California ("State"), duly organized and existing under the Constitution and laws of the State.

## WITNESSETH

WHEREAS, Lessee and Lessor have entered into a Schedule of Equipment No. 01, dated 7/24/2018 to Master Equipment Lease Purchase Agreement dated as of 7/24/2018 ("Agreement"), a duplicate original of which has been furnished to each of the parties, whereby Lessor has agreed to acquire certain equipment described therein ("Equipment"), and to sell the Equipment to the Lessee, and Lessee has agreed to purchase the Equipment from Lessor, in the manner and on the terms set forth in the Agreement; and

WHEREAS, the Equipment has or will be ordered from the Vendor, and there is expected to be a delay in delivery of the Equipment to Lessee; and

WHEREAS, in order to secure the obligations of Lessor under the Agreement, Lessee has requested Lessor to set aside in escrow with the Escrow Agent, pursuant to the terms hereof, the anticipated purchase price of the Equipment; and

WHEREAS, Lessee, as agent for Lessor, will cause the Equipment to be acquired from Vendor in accordance with the purchase orders or contracts therefore, and neither Lessor nor the Escrow Agent shall be obligated to assume or perform any obligation of the Lessee or Vendor with respect thereto or under the Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

## ARTICLE I. APPOINTMENT OF ESCROW AGENT: DEFINITIONS

**Section 1.01. Appointment of Escrow Agent.** Lessor and Lessee hereby appoint and employ Escrow Agent, to receive, hold, invest and disburse the moneys to be paid to it pursuant to this Escrow Agreement and the Agreement, and to perform certain other functions, all as hereinafter provided. By executing and delivering this Escrow Agreement, Escrow Agent accepts the duties and obligations of Escrow Agent provided herein, but only upon the terms and conditions set forth.

**Section 1.02. Definitions.** The terms defined in this Section shall, for all purposes of this Escrow Agreement have the meanings specified below. Any capitalized term not defined below shall have the meaning ascribed in the Agreement.

"Agreement" means the Schedule of Equipment No. 01, dated 7/24/2018 to Master Equipment Lease Purchase Agreement dated 7/24/2018, by and between Lessee and Lessor and any duly authorized and executed amendment thereto, the terms of which are incorporated herein by reference.

"Acquisition Costs" means, with respect to the Equipment, the contract price paid or to be paid to Vendor therefore upon acquisition or delivery of any portion of the Equipment in accordance with the purchase order or contract therefore. Acquisition Costs include the administrative, engineering, legal, financial and other costs incurred by the Lessee in connection with the acquisition, delivery and financing by Lessor of the Equipment.

"Acceptance Certificate" means an acceptance certificate in the form attached to the Agreement.

"Acquisition Fund" means the fund by that name established and held by the Escrow Agent pursuant to Article II of this Escrow Agreement.

"Closing Date" means the day when Lessor deposits with the Escrow Agent the moneys required to be deposited pursuant to Article II.

"Equipment" means the personal property described in the Agreement, together with any and all modifications, additions and alterations thereto, to be acquired from the moneys held in the Acquisition Fund.

"Escrow Agent" means Community First National Bank or any successor thereto acting as Escrow Agent pursuant to this Escrow Agreement.

"Escrow Agreement" means this Escrow Agreement and any duly authorized and executed amendment thereto.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State in which he maintains an office and who is not an employee of Lessor, the Escrow Agent or the Lessee.

"Lessee Representative" means the representative of Lessee or a person authorized by the Lessee to act on its behalf under or with respect to this Agreement.

"Lessor Representative" means the President, any Vice President or Assistant Vice President of Lessor, or any person authorized to act on behalf of Lessor under or with respect to this Agreement, as evidenced by a certificate conferring such authorization executed by the President, any Vice President or Assistant Vice President of Lessor, given to the Lessee or the Lessee Representative.

"Payment Date" means the date upon which any Rental Payment under the Agreement is due and payable, as set forth in the Payment Schedule.

"Payment Request Form" means the document substantially in the form attached hereto as Exhibit A to be executed by Lessee and Lessor and submitted to Escrow Agent to authorize payment of Acquisition Costs.

"Qualified Investments" means (i) direct general obligations of the United States of America; (ii) obligations guaranteed by the United States; (iii) general obligations of the agencies and instrumentalities of the United States; (iv) certificates of deposit, time deposits or demand deposits with a bank or savings institution qualified as a depository of public funds in the State of Kansas, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Corporation of the Federal Savings and Loan Insurance Corporation, are fully secured by obligations described in Clauses (i), (ii) or (iii); (v) money market funds, the assets of which are obligations of or guaranteed by the United States of America and which funds are rated "Aaa" by Moody's Investors Service or "Am" or "Am-G" by Standard & Poor's Corporation.

"Rental Payments" means the basic payments payable by Lessee to Lessor pursuant to the provisions of the Agreement during the term thereof which are payable in conjunction of the right of Lessee to use the Equipment during the then current portion of the term of the Agreement.

"Term of the Agreement" means the time during which the Agreement is in effect, as provided in Article III of the Agreement.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased will purchase or has ordered the Equipment or with whom Lessor has contracted for the acquisition of the Equipment.

**Section 1.03. Authorization.** Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by the officers and person signing it.

## ARTICLE II. ACQUISITION FUND

**Section 2.01. Acquisition Fund.** Escrow Agent shall establish a special fund designated as the "Acquisition Fund"; shall keep such Acquisition Fund separate and apart from all other funds and moneys held by it; and shall administer such funds as expressly provided hereunder.

**Section 2.02. Deposit of Moneys by Lessor.** At the Closing Date, Lessor shall deposit with the Escrow Agent the amount of **\$145,000.00**. Escrow Agent shall credit said amount to the Acquisition Fund established and to be held, applied and disbursed as herein provided.

**Section 2.03. Purpose; Payment of Acquisition Costs.** The Acquisition Fund shall be expended for the Acquisition Costs of the Equipment. Escrow Agent shall pay from the Acquisition Fund the Acquisition Costs of the Equipment, upon receipt from Lessee and Lessor the following items:



- (a) in the case of payment of any Acquisition Costs to Vendor pursuant to a contract or purchase order, (1) a duly executed Payment Request Form, with a true copy of the Vendor's statement attached, (2) where applicable, a duplicate original of any change order approved by Lessee and Lessor increasing Acquisition Costs in an amount in excess of the original purchase order or contract price, (3) receipts from the Vendor showing proper application of prior requisitions, (4) bills of sale for any component of the Equipment for which a bill of sale may be delivered, and (5) an Acceptance Certificate with respect to the Equipment for which disbursement is requested;
- (b) in the case of any Acquisition Costs previously paid by Lessee for which it is seeking reimbursement, (1) a duly executed Payment Request Form, (2) a true copy of Vendor's statement for such Acquisition Costs, (3) evidence of payment, and (4) evidence of Lessee's declaration of official intent for reimbursement, which declaration shall have been made no later than 60 days after the Lessee paid the Acquisition Costs; or
- (c) in the case of payment of any other Acquisition Costs, a duly executed Payment Request Form.

**Section 2.04. Escrow Agent's Compensation.** As compensation for the services to be rendered hereunder, Lessee agrees to pay the Escrow Agent \$200.00 ("Escrow Agent's Compensation"). The Escrow Agent's Compensation shall be payable from interest earnings on the escrow account and will be paid upon disbursement of proceeds to the vendor and closing of the escrow account. If the interest earnings on the escrow account are not sufficient to pay the Escrow Agent's Compensation, Escrow Agent shall provide Lessee with an invoice for the shortfall and Lessee shall pay such amount to Escrow Agent upon demand. If funds remain in the Acquisition Fund, excluding Acquisition Costs and Escrow Agent's Compensation, after the full delivery and acceptance of the Equipment, then Lessee and Lessor agree such excess funds shall be retained by Escrow Agent as partial compensation for the performance of its obligations hereunder.

**Section 2.05. Transfers Upon Completion.** Upon the first to occur of (a) payment of all Acquisition Costs with respect to the Equipment; or (b) the one year anniversary of the Closing Date, Escrow Agent shall apply all remaining moneys in the Acquisition Fund to the next Rental Payment(s) due under the Agreement by paying such moneys directly to the Lessor or its assignees.

**Section 2.06. Termination.** If this Escrow Agreement is terminated by Lessor as authorized under Article VII and the Agreement, all moneys in the Acquisition Fund shall be paid to Lessor or assignees for application against moneys due to Lessor under the Agreement. In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default under the Agreement or the termination of the Agreement for any reason other than Lessee's payment of the applicable Purchase Option Price, Escrow Agent shall immediately remit any and all funds in the Acquisition Fund to Lessor.

### **ARTICLE III. MONEYS IN FUNDS: INVESTMENTS; TERMINATION**

**Section 3.01. Held in Trust.** The moneys and investments held by the Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of the Lessee and for the purposes herein specified. Such moneys, and any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not, to the extent permitted by applicable law, as otherwise expressly provided herein, be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessor or Lessee.

**Section 3.02. Investments Authorized.** Moneys held by the Escrow Agent hereunder may be invested, and upon written order of the Lessee Representative shall, be invested by the Escrow Agent in Qualified Investments. Such investments shall be registered in the name of the Escrow Agent and held by Escrow Agent which may act as a purchaser or agent in making or disposing thereof. Such investments and reinvestments shall be made giving full consideration for the time when funds will be required to be available for acquisition.

**Section 3.03. Accounting.** The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Escrow Agreement.

**Section 3.04. Valuation and Disposition of Investments.** For the purpose of determining the amount in the Acquisition Fund, all Qualified Investments credited to such fund shall be valued at cost (exclusive of accrued interest after the first interest payments following purchase). Escrow Agent may sell at the best price obtainable, or present for redemption, any Qualified Investment so purchased by Escrow Agent, whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the Acquisition Fund to which such Qualified Investment is credited and Escrow Agent shall not be liable or responsible for any loss resulting from such investment.

**Section 3.05. Deposit of Moneys in Acquisition Fund.** All moneys held by the Escrow Agent in the Acquisition Fund established pursuant to this Agreement, except such moneys which are at the time invested as herein provided, shall be deposited in demand or time deposits (which may be represented by time certificates of deposit) in any bank or trust company authorized to accept deposits of public funds (including the banking department of the Escrow Agent), and, as and to the extent required by law, shall be secured at all times by obligations which are eligible by law to secure deposits of public moneys. Such obligations shall be deposited with such bank or banks as may be selected by Escrow Agent, and held by or for the account of the Escrow Agent as security for such deposits.

**Section 3.06. Termination.** Unless earlier terminated pursuant to Article VII, this Escrow Agreement shall terminate upon the final distribution of all moneys in the Acquisition Fund.

### **ARTICLE IV. THE ESCROW AGENT**

**Section 4.01. Removal of Escrow Agent.** The Lessee and Lessor, by written agreement between themselves, may by written request, at any time and for any reason, remove the Escrow Agent and any successor thereto, and shall thereupon appoint a successor or successors thereto, but any such successor shall have capital (exclusive of borrowed capital) and surplus of at least Ten Million Dollars (\$10,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to statute or to the requirements of any federal or state supervising or examining authority, to, then for the purposes of this Section the combined capital and surplus of such bank or trust company may be conclusively established for the purposes hereby in its most recent report of condition so published.

**Section 4.02. Resignation of Escrow Agent.** The Escrow Agent or any successor may at any time resign by giving written notice to the Lessee and Lessor of its intention to resign and of the proposed date of resignation, which shall be a date not less than 60 days after such notice, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Lessee and Lessor. Upon receiving such notice of resignation, the Lessee and Lessor shall promptly appoint a successor Escrow Agent by an instrument in writing; provided however, that in the event the Lessee and Lessor fail to appoint a successor Escrow Agent within 30 days following receipt of such written notice of resignation, Lessor may appoint a successor Escrow Agent, and in the event that Lessor fail to appoint a successor Escrow Agent within 30 days following the expiration of such initial 30-day period, the resigning Escrow Agent may petition the appropriate court having jurisdiction to appoint a successor Escrow Agent. Any resignation or removal of the Escrow Agent shall become effective only upon acceptance of appointment by the successor Escrow Agent.

**Section 4.03. Appointment of Agent.** The Escrow Agent may appoint an agent acceptable to the Lessee and Lessor to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Escrow Agreement, and to hold title to property or to take any other action which may be desirable or necessary.

**Section 4.04. Merger or Consolidation.** Any company into which the Escrow Agent may be merged or converted, or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business (provided that such company shall be eligible under Section 4.02) shall be the successor to the Escrow Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 4.05. Protection and Rights of the Escrow Agent.** The Escrow Agent shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Escrow Agreement, and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Escrow Agent may consult with Independent Counsel who may be counsel to Lessor or Lessee, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

Whenever in the administration of its duties under this Escrow Agreement, the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matters (unless other evidence in respect thereof be herein specifically prescribed), shall be deemed to be conclusively proved and established by the certificate of the Lessee Representative or the Lessor Representative and such certificate shall be full warranty to the Escrow Agent for any action taken or suffered under the provisions of this Escrow Agreement upon the faith thereof, but in its discretion the Escrow Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The recitals, statements and representations by Lessee and Lessor contained in this Agreement shall be taken and construed as made by and on the part of the Lessee and Lessor, as the case may be, and not by the Escrow Agent, and the Escrow Agent does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

The Escrow Agent may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Escrow Agent shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Escrow Agent shall not be answerable for the exercise of any discretion or power under this Escrow Agreement or for anything whatsoever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or gross negligence.

## **ARTICLE V. ASSIGNMENTS; AMENDMENTS**

**Section 5.01. Assignment.** Except as expressly herein provided to the contrary; the rights and duties of each of the parties under this Escrow Agreement shall not be assignable to any person or entity without the written consent of all of the other parties. Notwithstanding the above, Lessor may freely assign all or any part of its interest in this Agreement and the Acquisition Fund established hereunder in connection with an assignment by Lessor of the Agreement, subject to the provisions contained therein.

**Section 5.02. Amendments.** This Escrow Agreement may be amended in writing by agreement among all of the parties.

## **ARTICLE VI. FURTHER ASSURANCES**

**Section 6.01. Further Assurances.** Lessor and Lessee will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Escrow Agreement, and for better assuring and confirming the rights and benefits provided herein.

## **ARTICLE VII. DEFAULT OR NON-APPROPRIATION**

### **Section 7.01. Default.**

- (a) Lessor shall have the right to terminate this Escrow Agreement upon an Event of Default under the Agreement, or termination of the Agreement pursuant to Section 4.05 thereof, which right shall not be exercised less than 15 days after Lessor shall have given Lessee written notice of such default or termination for non-appropriation. Upon receipt of notice of termination from Lessor, Escrow Agent shall pay to Lessor, or its assignee, all moneys in the Acquisition Fund in accordance with Section 2.06.
- (b) In the event of the failure by any party hereto to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Escrow Agreement, any non-defaulting party hereto shall have all of the rights and remedies now or hereafter existing at law or in equity against the defaulting party.
- (c) No delay or omission to exercise any such right or power accruing upon any default shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

## **ARTICLE VIII. LIMITATION OF LIABILITY**

**Section 8.01. Limited Liability of Escrow Agent.** Escrow Agent shall have no obligation or liability to any of the other parties under this Escrow Agreement for the failure or refusal of any other party to perform any covenant or agreement made by any of it hereunder or under the Agreement, but shall be responsible solely for the business-like performance of the duties expressly imposed upon Escrow Agent hereunder. The recitals of facts, covenants and agreements herein contained pertaining to Lessee and Lessor shall be taken as statement, covenants and agreements of the Lessee or Lessor (as the case may be), and Escrow Agent assumes no responsibility for the correctness of the same, or makes any representation as to the validity or sufficiency of this Escrow Agreement, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein imposed upon it. Escrow Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

**Section 8.02. Indemnification.** To the extent permitted by applicable law, Lessee agrees to indemnify and save Escrow Agent harmless from and against all claims, suits and actions brought against it, or to which it is made a party, and from all losses and damages, including without limitation reasonable, attorney fees and court costs suffered by it as a result thereof, where such claim, suit or action arises in connection with this Escrow Agreement, the transactions described herein and in the Agreement or the Escrow Agent's employment as an Escrow Agent by Lessee and Lessor. Notwithstanding the foregoing, such indemnification shall not extend to claims, suits and actions brought against the Escrow Agent for failure to perform and carry out the duties specifically imposed upon and to be performed by it pursuant to this Escrow Agreement and claims, suits or actions arising from events solely and directly attributable to acts of Lessor. In the event the Lessee is required to indemnify Escrow Agent as herein provided, Lessee shall be subrogated to the rights of the Escrow Agent to recover such losses or damages from any other person or entity.

**Section 8.03. Discretion of Escrow Agent to File Civil Action in the Event of Dispute.** If Lessor or Lessee are in disagreement about the interpretation of this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. Escrow Agent shall be indemnified by Lessee in accordance with Section 8.02 for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

**Section 8.04. Opinion of Counsel.** Before being required to take any action, the Escrow Agent may require (i) an opinion of independent counsel acceptable to the Escrow Agent, which counsel may be counsel to any of the parties hereto, and which opinion shall be made available to the other parties hereto, or (ii) a verified certificate of any party hereto, or (iii) both (i) and (ii), concerning the proposed action. Escrow Agent shall be absolutely protected in relying thereon if it does so in good faith.

**Section 8.05. Limitation of Rights to Parties.** Nothing in this Escrow Agreement, expressed or implied, is intended or shall be construed to give any person other than the Lessee, Lessor or the Escrow Agent any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the Lessee, Lessor and Escrow Agent.

## **ARTICLE IX. MISCELLANEOUS**

**Section 9.01. Records.** The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by the Lessee, Lessor, or the agent of either of them, at any time during regular business hours.

**Section 9.02. Notices.** All written notice to be given under this Escrow Agreement shall be given by mail to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other parties in writing from time to time. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail in registered or certified form, with postage fully prepaid.

**Section 9.03. Governing Laws.** This Escrow Agreement shall be construed and governed in accordance with the laws of the State of Kansas.

Section 9.04. Partial Invalidity. Any provision of this Escrow Agreement found to be prohibited by laws shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Escrow Agreement.

Section 9.05. Binding Effect; Successors. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Escrow Agreement any party hereto is named or referred to, such references shall be deemed to include permitted successors or assigns thereof, and all covenants and agreements contained in this Escrow Agreement by or on behalf of any party hereto shall bind and inure to the benefit of permitted successors and assigns thereof whether or not so expressed.

Section 9.06. Execution in Counterparts. This Escrow Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 9.07. Headings. The headings or titles of the several Articles and Sections hereof, and any tables of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Escrow Agreement. All references herein to "Articles", "Sections", and other subdivisions are to the corresponding Articles, Sections, or subdivisions of this Escrow Agreement; and the words "herein", "hereof", "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date and year first above written.

**ESCROW AGENT:**

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

---

Signature

---

Name and Title

**LESSOR:**

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

---

Signature

---

Name and Title

**LESSEE:**

North County Fire Protection District  
330 S. Main Avenue  
Fallbrook, CA92028

---

Kenneth Munson, President



**EXHIBIT A  
PAYMENT REQUEST FORM**

Community First National Bank, Escrow Agent under an Escrow Agreement dated as of 7/24/2018, by and among the said Escrow Agent, Community First National Bank (Lessor), and the North County Fire Protection District, (Lessee) is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporation designated below as payee, the amount set forth opposite each such person's firm's or corporation's name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment described on the attached page(s) designated opposite such Payee's name and account.

<u>Payee</u>	<u>Equipment</u>	<u>Amount</u>

**VOID**

**TO BE UTILIZED AS A SIGNATURE CARD ONLY**

By executing this Payment Request Form the Lessee hereby represents that the Payee or Payees listed above who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested above by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees.

**Partial Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a request for a partial release of funds from the Escrow Account to pay for a portion of the Equipment: (1) Invoice from the Vendor, (2) copy of the agreement between Lessee and Vendor (if requested by the Lessor or Escrow Agent), (3) front and back copy of the original MSO/Title (if payment from Escrow Account is for a chassis) listing Community First National Bank and/or its assigns as the first lien holder. By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment. By executing this Payment Request Form Lessee agrees that Lessee is the title owner to this portion of the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to this portion of the Equipment and keep the Lease in full force and effect.

**Final Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a final release of funds from the Escrow Account: (1) Final Vendor Invoice, (2) Signed Acceptance Certificate, (3) Insurance Certificate, (4) front and back copy of the original MSO/Title listing Community First National Bank and/or its assigns as first lien holder (if not already received). By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto. By executing this Payment Request Form Lessee certifies that Lessee is the title owner to the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to the Equipment and keep the Lease in full force and effect.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Signature

\_\_\_\_\_  
*Signature of additional authorized individual (optional)*

\_\_\_\_\_  
Name and Title



# **TAX COMPLIANCE AGREEMENT AND NO ARBITRAGE CERTIFICATE**

This Tax Compliance Agreement and No Arbitrage Certificate is issued in connection with that certain Schedule of Equipment No. 01, dated 7/24/2018 to Master Equipment Lease Purchase Agreement dated as 7/24/2018 by and between Community First National Bank, ("Lessor") and North County Fire Protection District ("Lessee").

## **1. In General.**

- 1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment by Lessee as described in the Schedule of Equipment No. 01, dated 7/24/2018 to Master Equipment Lease Purchase Agreement dated as of 7/24/2018 (the "Lease") between Lessor and Lessee and all related documents executed pursuant thereto and contemporaneously herewith with respect to the financing of the acquisition of One (1) New Lifeline Ambulance Remount (New Chassis) with Equipment (the "Equipment") by Lessor for Lessee (the Lease and such other documents are hereinafter collectively referred to as the "Financing Documents").
- 1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents.
- 1.3. To the best of the undersigned's knowledge, information and belief, the expectations contained in this Certificate are reasonable.
- 1.4. Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose certifications as to arbitrage may not be relied upon.
- 1.5. The rental payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or sub account therein). No sinking, debt service, reserve or similar fund or account will be maintained for the payment of the rental payments due under the Financing Documents or pledged as security therefor.
- 1.6. If any other governmental obligations were or are being issued by or on behalf of Lessee within fifteen (15) days of the date of issuance of the Financing Documents, such obligations either (i) were not or are not being issued or sold pursuant to a common plan of financing with, or (ii) will not be paid out of substantially the same source of funds as, the financing pursuant to the Financing Documents.

## **2. Purpose of the Financing Documents.**

- 2.1. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Description executed and delivered by Lessee pursuant to the Financing Documents. The principal amount represented by the Financing Documents, or **\$145,000.00** will be deposited in escrow by Lessor at closing and held by Community First National Bank, as Escrow Agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Agreement dated as of 7/24/2018 (the "Escrow Agreement"), by and among Lessor, Lessee and Escrow Agent.
- 2.2. No portion of the principal amount represented by the Financing Documents will be used as a substitute for other funds which were otherwise to be used as a source of financing for the Equipment, or will be used, directly or indirectly, to replace funds used by Lessee to acquire investments which produce a yield materially higher than the yield to Lessor under the Financing Documents.
- 2.3. Lessee does not expect to sell or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final rental payment due under the Financing Documents.

## **3. Source and Disbursement of Funds.**

- 3.1. The principal amount represented by the Financing Documents does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the items of Equipment.
- 3.2. It is contemplated that the entire amount deposited in escrow will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that a portion of the principal amount may be paid to Lessee within such period as reimbursement for Acquisition Costs already made by it so long as the conditions set forth in Section 3.3 below are satisfied.
- 3.3. Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless the following conditions have been satisfied:
  - (a) Lessee made a declaration of its reasonable intention to reimburse the acquisition cost payment sought to be reimbursed with the proceeds of a borrowing not later than sixty (60) days after the date on which it made the payment, which declaration satisfies the "Official Intent Requirement" set forth in Treas. Reg. Sec.1.150-2;
  - (b) The reimbursement being requested will be made by written allocation before the later of eighteen (18) months after the acquisition cost payment was made or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;
  - (c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of type properly chargeable to a capital account under general federal income tax principles; and
  - (d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treas. Reg. Sec. 1. 148-10 by, virtue of, among other things, use to refund, or to create or increase a sinking, reserve or replacement fund with respect to, any other obligations issued by it.

## **4. Temporary Period.**

- 4.1. Lessee expects, within six months from the date of issuance of the Financing Documents, (a) to have had disbursed from escrow an amount in excess of the lesser 2 1/2% of the amount deposited by Lessor in escrow or \$100,000, or (b) to enter into binding obligations with third parties obligating Lessee to spend such amount.
- 4.2. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.
- 4.3. The items of Equipment being acquired by Lessee will be delivered at various times. At least 15% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition price of items of Equipment within six months from the date of issuance of the Financing Documents; at least 60% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition cost of items of Equipment within 12 months from the date of issuance of the Financing Documents; and 100% of the amount deposited in escrow and interest earnings thereon will be used to pay the acquisition cost of items of Equipment prior to 18 months from the date of issuance of the Financing Documents.
- 4.4. The total acquisition cost of the Equipment is not required to be paid to the vendors or manufacturers thereof until the Equipment has been accepted by Lessee.

## **5. Escrow Account.**

- 5.1. The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" or a "federally guaranteed bond" within the meaning of Section 148(a) or Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the equipment.

**6. Exempt Use.**

6.1. No part of the proceeds of the Financing Documents or the Equipment will be used in any "private business use" within the meaning of Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

6.2. No part of the proceeds of the Financing Documents will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

**7. No Federal Guarantee.**

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the proceeds under the Financing Documents shall be (i) used in making loans, the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be federally guaranteed within the meaning of Section 149(b) of the Code.

**8. Miscellaneous.**

8.1. Lessee agrees to comply with the rebate requirement set forth in Section 148(f) of the Code in the event that for any reason it is applicable to the financing pursuant to Financing Documents.

8.2. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.3. Lessee shall maintain complete and accurate records establishing the expenditure of the proceeds of the Financing Documents and interest earnings thereon for a period of five years after payment in full under the Financing Documents.

IN WITNESS WHEREOF, this Tax Compliance Agreement and No Arbitrage Certificate has been executed on behalf of Lessee as of the date set forth below.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

**EXHIBIT A  
PAYMENT REQUEST FORM**

Community First National Bank, Escrow Agent under an Escrow Agreement dated as of 7/24/2018, by and among the said Escrow Agent, Community First National Bank (Lessor), and the North County Fire Protection District, (Lessee) is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporation designated below as payee, the amount set forth opposite each such person's firm's or corporation's name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment described on the attached page(s) designated opposite such Payee's name and account.

<u>Payee</u>	<u>Amount</u>	<u>Equipment</u>

By executing this Payment Request Form the Lessee hereby represents that the Payee or Payees listed above who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested above by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees.

**Partial Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a request for a partial release of funds from the Escrow Account to pay for a portion of the Equipment: (1) Invoice from the Vendor, (2) copy of the agreement between Lessee and Vendor (if requested by the Lessor or Escrow Agent), (3) front and back copy of the original MSO/Title (if payment from Escrow Account is for a chassis) listing Community First National Bank and/or its assigns as the first lien holder. By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment. By executing this Payment Request Form Lessee agrees that Lessee is the title owner to this portion of the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to this portion of the Equipment and keep the Lease in full force and effect.

**Final Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a final release of funds from the Escrow Account: (1) Final Vendor Invoice, (2) Signed Acceptance Certificate, (3) Insurance Certificate, (4) front and back copy of the original MSO/Title listing Community First National Bank and/or its assigns as first lien holder (if not already received). By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto. By executing this Payment Request Form Lessee certifies that Lessee is the title owner to the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to the Equipment and keep the Lease in full force and effect.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

\*Keep this form for future disbursement requests.

**Information Return for Tax-Exempt Governmental Obligations**

► Under Internal Revenue Code section 149(e)  
► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name <b>North County Fire Protection District</b>		2 Issuer's employer identification number (EIN) <b>95-6005429</b>	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address) <b>330 S. Main Avenue</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>	
6 City, town, or post office, state, and ZIP code <b>Fallbrook, CA 92028</b>		7 Date of issue <b>7/24/18</b>	
8 Name of issue <b>Master Equipment Lease Purchase Agreement</b>		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a	

<b>Part II Type of Issue (enter the issue price). See the instructions and attach schedule.</b>			
11 Education		11	
12 Health and hospital		12	
13 Transportation		13	
14 Public safety		14	<b>145,000 00</b>
15 Environment (including sewage bonds)		15	
16 Housing		16	
17 Utilities		17	
18 Other. Describe ►		18	
19 If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>			
If obligations are BANs, check only box 19b <input type="checkbox"/>			
20 If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>			

<b>Part III Description of Obligations. Complete for the entire issue for which this form is being filed.</b>					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	<b>10/1/2020</b>	<b>\$ 145,000.00</b>	<b>\$ N/A</b>	<b>2 years</b>	<b>4.294 %</b>

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>					
22	Proceeds used for accrued interest	22			
23	Issue price of entire issue (enter amount from line 21, column (b))	23			
24	Proceeds used for bond issuance costs (including underwriters' discount)	24			
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)	29			
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30			

<b>Part V Description of Refunded Bonds. Complete this part only for refunding bonds.</b>	
31	Enter the remaining weighted average maturity of the bonds to be currently refunded <input type="checkbox"/> years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded <input type="checkbox"/> years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) <input type="checkbox"/>
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)

**Part VI Miscellaneous**

<b>35</b>	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	<b>35</b>	
<b>36a</b>	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . .	<b>36a</b>	
<b>b</b>	Enter the final maturity date of the GIC ▶ _____		
<b>c</b>	Enter the name of the GIC provider ▶ _____		
<b>37</b>	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	<b>37</b>	
<b>38a</b>	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:		
<b>b</b>	Enter the date of the master pool obligation ▶ _____		
<b>c</b>	Enter the EIN of the issuer of the master pool obligation ▶ _____		
<b>d</b>	Enter the name of the issuer of the master pool obligation ▶ _____		
<b>39</b>	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . .		<input checked="" type="checkbox"/>
<b>40</b>	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . .		<input type="checkbox"/>
<b>41a</b>	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:		
<b>b</b>	Name of hedge provider ▶ _____		
<b>c</b>	Type of hedge ▶ _____		
<b>d</b>	Term of hedge ▶ _____		
<b>42</b>	If the issuer has superintegrated the hedge, check box . . . . .		<input type="checkbox"/>
<b>43</b>	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . .		<input type="checkbox"/>
<b>44</b>	If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . .		<input type="checkbox"/>
<b>45a</b>	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement . . . . . ▶ _____		
<b>b</b>	Enter the date the official intent was adopted ▶ _____		

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	<div style="display: flex; justify-content: space-between;"> <div> <b>Signature of issuer's authorized representative</b>  </div> <div> <b>Date</b>            _____         </div> </div>		<b>Kenneth Munson, President</b> <b>Type or print name and title</b>	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		



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# **NORTH COUNTY FIRE PROTECTION DISTRICT**

## **ADMINISTRATIVE SERVICES**

**TO:** BOARD OF DIRECTORS  
**FROM:** DEPUTY CHIEF MAROVICH AND CHIEF ABBOTT  
**DATE:** JULY 24, 2018  
**SUBJECT:** LEASE PURCHASE AGREEMENT FOR 2 TYPE I ENGINES

### **ACTION AGENDA**

#### **RECOMMENDATION:**

1. Approve Resolution 2018-15 certifying approval of Master Equipment Lease Purchase Agreement;
2. Authorize District Staff to execute the necessary contractual documents.

#### **BACKGROUND:**

The NCFPD has been working from an approved Capital Equipment Replacement Plan for several years. As such, the Plan calls for the replacement of our front-line fire apparatus in a manner that is in accordance with NFPA 1911. This standard recommends replacement of front line apparatus at fifteen (15) years and twenty (20) years for reserve apparatus. The BOD has approved the purchase and this report describes the funding mechanism.

#### **DISCUSSION:**

Staff has secured a fifteen-year lease/purchase agreement with Community Leasing Partners, at an interest rate of 3.944%, payable in sixty (60) equal quarterly payments of \$33,494.99, commencing August 1, 2019. As there will be no residual on the lease after the final payment is received on May 1, 2034, the District will own the Type I Engines free and clear. It is anticipated that the District should take receipt of this new engines late June of 2019.

Lease Purchase Financing (LPF) is a method for local governments and nonprofits to acquire the property and equipment they need through manageable installment payments consisting of principal and interest. The customer takes an ownership interest in the property from the onset of the lease and builds equity with each installment payment. At the end of the repayment term, the customer receives the property free and clear. Sold to

**LEASE PURCHASE AGREEMENT FOR TYPE 1 ENGINES**  
**JULY 24, 2018**  
**Page 2 of 2**

investors as a tax-exempt municipal lease, lease purchases offer an attractive investment that keeps interest rates low for the lessee.

**FISCAL ANALYSIS:**

The purchase price for these vehicles is \$1,464,657.12 and over the course of the lease, the District will incur a total of \$545,042.28 in interest charges, for a total cost of \$2,009,699.40.

**SUMMARY:**

Authorizing Staff to enter into a lease/purchase agreement with Community Leasing Partners will allow the District to move forward with purchase of a new Type I engines.



# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-15

A RESOLUTION OF THE BOARD OF DIRECTORS, NORTH COUNTY FIRE PROTECTION DISTRICT, SAN DIEGO COUNTY, STATE OF CALIFORNIA, BETWEEN COMMUNITY FIRST NATIONAL BANK AS LESSOR, AND NORTH COUNTY FIRE PROTECTION DISTRICT AS LESSEE.

**RE: Schedule of Equipment No. 01, dated 7/06/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/06/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

I, the undersigned, the duly appointed, qualified and acting Board Secretary of the above captioned Lessee do hereby certify this date July 24, 2018, as follows:

- (1) Lessee did, at a meeting of the governing body of the Lessee held on July 24, 2018 by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above referenced Schedule of Equipment No. 01 (the "Schedule") on its behalf by the following named representative of the Lessee, to witness:

\_\_\_\_\_  
**Authorized Signer:** Kenneth Munson, President

- (2) The above-named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.
- (3) The meeting of the governing body of the Lessee at which the Schedule was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Schedule and authorizing the execution thereof has not been altered or rescinded.
- (4) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the above referenced Master Equipment Lease Purchase Agreement) exists at the date hereof.
- (5) All insurance required in accordance with the above referenced Master Equipment Lease Purchase Agreement is currently maintained by the Lessee.
- (6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the above referenced Master Equipment Lease Purchase Agreement) and such funds have not been expended for other purposes.
- (7) The fiscal year of Lessee is from July 1 to June 30.

The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this resolution.

**North County Fire Protection District**

Attested By:

\_\_\_\_\_  
Stephen Abbott, Fire Chief/CEO

Certified By:

\_\_\_\_\_  
Loren A. Stephen-Porter, Board Secretary





# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-15

A RESOLUTION OF THE BOARD OF DIRECTORS, NORTH COUNTY FIRE PROTECTION DISTRICT, SAN DIEGO COUNTY, STATE OF CALIFORNIA, BETWEEN  
COMMUNITY FIRST NATIONAL BANK AS LESSOR, AND  
NORTH COUNTY FIRE PROTECTION DISTRICT AS LESSEE.

**APPROVED, ADOPTED AND SIGNED** by a Regular Meeting of the Board of Directors of the North County Fire Protection District held on this **24th day of July, 2018**, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RECUSED:**

---

Kenneth Munson, Board President

**I HEREBY CERTIFY** that foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District at the meeting thereof held on the **24th day of July, 2018**, and that the same now appears on record in my office.

**IN WITNESS THEREOF**, I hereunto set my hand and affixed by official seal this this **24th day of July, 2018**.

---

Loren A. Stephen-Porter, Board Secretary

Official Seal



215 S. Seth Child Road  
Manhattan, KS 66502  
Phone: 888.777.7850  
Fax: 888.777.7875  
[www.clpusa.net](http://www.clpusa.net)

June 12, 2018

Kevin Mahr  
North County Fire Protection District  
330 S. Main Avenue  
Fallbrook, CA 92028

**RE: Financing for Two (2) New Pierce Type One Pierce Pumpers with Equipment**

Dear Kevin,

Thank you for the opportunity to work with North County Fire Protection District on your financing project!

This package includes the documentation with instructions to complete financing of the equipment.

Community First National Bank is listed as Lessor to this Agreement. Community Leasing Partners is a division of Community First National Bank and is the exclusive marketing, origination and placement agent for the bank.

Please return all documents with original signatures by 6/29/2018 to avoid any potential change in the payments or interest rate.

**This Agreement requires three different signers from the North County Fire Protection District and an attorney's opinion letter.**

Signer 1- Kenneth Munson, President

Signer 2- Stephen Abbott, Fire Chief

Signer 3- Loren A. Stephen-Porter OR Cherie Juul, Secretary OR Acting Secretary

Upon receipt of all listed documents; delivery of the equipment and your approval of the equipment invoice; we will remit payment to the vendor. This transaction is subject to acceptance of the documentation and final review and approval by the Lessor.

If you have any questions regarding the documentation, please feel free to contact me at 888.777.7850.

Respectfully,

*Cindy*

Cindy Turner  
Assistant Vice President-Leasing Operation

## Documentation Instructions

### ◇ MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

- ☐ Kenneth Munson -sign where indicated

### ◇ Exhibit A – SCHEDULE OF EQUIPMENT

- ☐ Kenneth Munson -sign where indicated

### ◇ Attachment 1 – EQUIPMENT DESCRIPTION

- ☐ Provide physical location where the equipment will be kept after delivery/installation

### ◇ Attachment 2 –PAYMENT SCHEDULE

- ☐ Kenneth Munson -sign where indicated

### ◇ Exhibit B – LESSEE RESOLUTION

- ☐ Print the date the Resolution is being signed
- ☐ Print the date of the meeting in which the financing was approved
- ☐ Kenneth Munson -sign as "Authorized Signer"
- ☐ Complete the lessee's fiscal year start and end months
- ☐ Stephen Abbott -attest the Resolution as "Attested By"
- ☐ Loren A. Stephen-Porter OR Cherie Juul -sign and print name as "Certified By"

### ◇ Exhibit C - OPINION OF COUNSEL

- ☐ Request your legal counsel provide an Opinion of Counsel using the example provided; retyped on his/her letterhead with their signature (*If counsel would like changes, he/she must first contact CLP*)

### ◇ Exhibit D - ACCEPTANCE CERTIFICATE

- ☐ Kenneth Munson -sign and date where indicated

### ◇ BANK QUALIFIED CERTIFICATE

- ☐ Kenneth Munson -sign where indicated

### ◇ INSURANCE COVERAGE REQUIRMENTS

- ☐ Provide Agent's contact information
- ☐ Kenneth Munson -sign where indicated

### ◇ INVOICE INSTRUCTIONS

- ☐ Complete contact information for payment billing invoices

### ◇ NOTICE OF ASSIGNMENT

- ☐ Kenneth Munson -sign where indicated

### ◇ ESCROW AGREEMENT

- ☐ Kenneth Munson- sign where indicated

### ◇ Exhibit A- PAYMENT REQUEST FORM/ SIGNATURE CARD

- ☐ Kenneth Munson- sign where indicated

### ◇ TAX COMPLIANCE WITH NO ARBITRAGE

- ☐ Kenneth Munson- sign and date where indicated

### ◇ 8038 - IRS Form

- ☐ Verify employer identification number in Box 2
- ☐ Complete Boxes 10a & 10b
- ☐ Kenneth Munson -sign and date where indicated under "Signature and Consent"

### ◇ ADDITIONAL DOCUMENTATION NEEDED PRIOR TO VENDOR PAYMENT (at delivery):

- ☐ Certificate of Insurance from your insurance provider

#### **Conditions to Funding**

*If, for any reason: (i) the required documentation is not returned by 6/29/2018, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstances which adversely affects the expectations, rights or security of the Lessor or its assignees; then Lessor or its assignees reserves the right to adjust the quoted interest rate or withdraw/void its offer to fund this transaction in its entirety.*

*This contract is being issued based upon review of credit and financial materials provided by lessee that resulted in a credit approval decision. CLP is committed to working with the lessee on this transaction throughout the entire process. Failure to complete the lease in its entirety may result in a \$500 documentation fee being charged. This fee is for credit analysis, drafting of the contract, overnight services and expenses incurred in processing this agreement.*

# MASTER EQUIPMENT LEASE PURCHASE AGREEMENT

**LESSEE: North County Fire Protection District**

This Master Equipment Lease Purchase Agreement, including all exhibits and schedules hereto whether currently in existence or hereafter executed (the "Agreement"), dated as of 7/6/2018, and entered into between Community First National Bank 215 S. Seth Child Rd, Manhattan, KS 66502 ("Lessor"), and North County Fire Protection District, 330 S. Main Avenue, Fallbrook, CA 92028 a body corporate and politic duly organized and existing under the laws of the State of California ("Lessee");

## RECITALS

WHEREAS, Lessee desires to lease from Lessor certain equipment described in the schedules to this Agreement, substantially in the form of Exhibit A hereto, that are executed from time to time by the parties hereto (such schedules are hereby incorporated herein and are hereinafter collectively referred to as the "Schedules", and the items of equipment leased to Lessee hereunder, together with all substitutions, proceeds, replacement parts, repairs, additions, attachments, accessories and replacements thereto, thereof or therefore, are hereinafter collectively referred to as the "Equipment") subject to the terms and conditions of and for the purposes set forth in this Agreement.

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment may be added to or deleted from the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein.

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein.

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

## ARTICLE I. REPRESENTATIONS, WARRANTIES AND COVENANTS OF LESSEE

### Section 1.01. Lessee represents, covenants and warrants, for the benefit of Lessor and its assignees, as follows:

- (a) Lessee is a public body, corporate and politic, duly organized and existing under the Constitution and laws of the State.
- (b) Lessee will do or cause to be done all things necessary to preserve and keep in full force and affect its existence as a body corporate and politic. Lessee is a political subdivision of the State within the meaning of Section 103(a) of the Code or a constituted authority authorized to issue obligations on behalf of a state or local governmental unit within the meaning of the regulations promulgated pursuant to said Section of the Code.
- (c) Lessee has full power and authority under the Constitution and laws of the State to enter into this Agreement and the transactions contemplated hereby, and to perform all of its obligations hereunder.
- (d) Lessee has duly authorized the execution and delivery of this Agreement by proper action by its governing body at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the enforceability of this Agreement.
- (e) Lessee has complied or will comply with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment.
- (f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing one or more essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority and will not be used in a trade or business of any person or entity other than Lessee.
- (g) During the Lease Term, Lessee will annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor.
- (h) The Equipment will have a useful life in the hands of Lessee that is substantially in excess of the Original Term and all Renewal Terms.
- (i) The Equipment is, and during the Lease Term will remain personal property and when subjected to use by the Lessee, will not be or become fixtures.
- (j) The Equipment is essential to the function of the Lessee and the services provided to its citizens, and will be used throughout the period that this Agreement is in force for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.
- (k) During the term of this Agreement, Lessee will not dispose of or sell any part of the Equipment.
- (l) Lessee has not terminated a lease, rental agreement, installment purchase contract, or any other such agreement in the past five (5) years as a result of insufficient funds being appropriated for payments due under such an agreement.
- (m) This Agreement constitutes the legal, valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.
- (n) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.
- (o) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the current fiscal year and to meet its other obligations under this Agreement for the current fiscal year, and such funds have not been expended for other purposes.
- (p) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefore, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.
- (q) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by Lessee of this Agreement or in connection with the carrying out by Lessee of its obligations hereunder have been obtained.
- (r) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance on any assets of Lessee or the Equipment pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Lessee is a party or by which it or its assets may be bound, except as herein provided.

## ARTICLE II. DEFINITIONS

### Section 2.01. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Master Equipment Lease Purchase Agreement, including the Schedules and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, whether currently in existence or hereafter executed, as the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Code" means the Internal Revenue Code of 1986, as amended, and the United States Treasury Regulations in effect thereunder.

"Commencement Date" means, with respect to any Schedule, the date when the Lease Term of this Agreement with respect to that Schedule and Lessee's



obligation to pay rent under that Schedule commence, which date will be the earlier of (i) the date of the Agreement, or (ii) the date on which sufficient moneys to purchase the Equipment are deposited for that purpose with an Escrow Agent.

"Equipment" means the property described in the Schedules and all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto. Whenever reference is made in this Agreement to Equipment listed in a Schedule, that reference shall be deemed to include all replacements, repairs, restorations, modifications and improvements of or to that Equipment.

"Event of Default" means, with respect to any Lease, an Event of Default described in Section 10.01.

"Escrow Agreement" means, with respect to a given Schedule, an escrow agreement in form and substance satisfactory to Lessor, between Lessee, Lessor and an escrow agent relating to the acquisition fund created thereunder.

"Lease" means, at any time, (i) if none of Lessor's interest in, to and under any Schedule has been assigned pursuant to Section 9.01, or if all of Lessor's interest in, to and under this Agreement and all Schedules have been assigned to the same assignee without any reassignment, this Agreement, or (ii) if Lessor's interest in, to and under any Schedule or Schedules has been assigned or reassigned pursuant to Section 9.01, all Schedules that have the same Lessor and this Agreement as it relates to those Schedules and the Equipment listed therein, which shall constitute a separate single lease relating to that Equipment.

"Lease Term" means, with respect to any Lease, the Original Term and all Renewal Terms of that Lease.

"Lessee" means the entity which is described in the first paragraph of this Agreement, its successors and assigns.

"Lessor" means, with respect to each Schedule and the Lease of which that Schedule is a part, (i) if Lessor's interest in, to and under that Schedule has not been assigned pursuant to Section 9.01, the entity described as such in the first paragraph of this Agreement or its successor, or (ii) if Lessor's interest in, to and under that Schedule has been assigned pursuant to Section 9.01, the assignee thereof or its successor.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

"Original Term" means, with respect to any Lease, the period from the first Commencement Date for any Schedule under that Lease until the end of the fiscal year of Lessee in effect at that Commencement Date.

"Purchase Option Price" means, with respect to the Equipment listed on any Schedule, the amount set forth in that Schedule as the Purchase Option Price for that Equipment.

"Renewal Terms" means, with respect to any Lease, the automatic renewal terms of that Lease, as provided for in Article III of this Agreement, each having a duration of one year and a term co-extensive with the Lessee's fiscal year except the last of such automatic renewal terms which shall end on the due date of the last Rental Payment set forth in the Schedule.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to Section 4.02.

"State" means the state in which Lessee is located.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased or is purchasing the Equipment.

### ARTICLE III. LEASE TERM

**Section 3.01. Lease of Equipment.** Lessor hereby demises, leases and lets to Lessee, and Lessee rents, leases and hires from Lessor, the Equipment listed in each Schedule in accordance with this Agreement and that Schedule for the Lease Term for the Lease of which that Schedule is a part. The Lease Term for each Lease may be continued at the end of the Original Term or any Renewal Term for an additional Renewal Term; provided, however, that at the end of the Original Term and at the end of each Renewal Term, Lessee shall be deemed to have continued that Lease for the next Renewal Term unless Lessee shall have terminated that Lease pursuant to Section 4.05 or Section 5.04. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Schedules. Lessor hereby covenants to provide Lessee during the Lease Term with quiet use and enjoyment of the Equipment, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

**Section 3.02. Continuation of Lease Term.** Lessee currently intends, subject to Section 4.05, to continue the Lease Term for each Lease through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Lease Term for each Lease can be obtained. The responsible financial officer of Lessee shall do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for the Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend a Lease for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

**Section 3.03. Return of Equipment on Termination.** Upon expiration or earlier termination of any Schedule under any provision of this Agreement at a time when Lessee does not exercise its option to purchase the Equipment described in that Schedule under the provisions of this Agreement, Lessee shall deliver, at Lessee's expense, the Equipment described in that Schedule to Lessor in the same condition as existed at the Commencement Date, ordinary wear and tear expected, packaged or otherwise prepared in a manner suitable by shipment by truck or rail common carrier at a location specified by Lessor.

**Section 3.04. Conditions to Lessor's Performance under Schedules.** As a prerequisite to the performance by Lessor of any of its obligations pursuant to the execution and delivery of any Schedule, Lessee shall deliver to Lessor the following:

- (a) A Lessee Resolution executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit B, completed to the satisfaction of Lessor;
- (b) An Opinion of Counsel to Lessee in substantially the form attached hereto as Exhibit C respecting such Schedule and otherwise satisfactory to Lessor;
- (c) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time;
- (d) Such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor.

This Agreement is not a commitment by Lessor to enter into any Schedule not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Schedule, it being understood that whether Lessor enters into any proposed Schedule shall be a decision solely within Lessor's discretion.

Lessee will cooperate with Lessor in Lessor's review of any proposed Schedule. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Schedule. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

### ARTICLE IV. RENTAL PAYMENTS

**Section 4.01. Rental Payments to Constitute a Current Expense of Lessee.** Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

**Section 4.02. Payment of Rental Payments.** Lessee shall pay Rental Payments, from any and all legally available funds, in lawful money of the United States of America, exclusively to Lessor or, in the event of assignment by Lessor, to its assignee, in the amounts and on the dates set forth in each Schedule. Rental Payments shall be in consideration for Lessee's use of the Equipment during the applicable year in which such payments are due. The Rental Payments will be payable without notice or demand at the office of Lessor (or such other place as Lessor may from time to time designate in writing). If any Rental Payment or other sum payable under any Schedule is not paid when due, Lessee shall pay to Lessor accrued interest on such delinquent amount from the date due thereof until paid at the lesser of 18% or the maximum rate allowed by law. In the event that it is determined that any of the interest



components of Rental Payments may not be excluded from gross income for purposes of federal income taxation, Lessee agrees to pay to Lessor promptly after any such determination and on the date of each Rental Payment thereafter an additional amount determined by Lessor to compensate Lessor for the loss of such excludability (including without limitation, compensation relating to interest expense, penalties or additions to tax), which determination shall be conclusive absent manifest error.

**Section 4.03. Interest and Principal Components.** A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Schedule will set forth the interest component and the principal component of each Rental Payment during the Lease Term.

**Section 4.04. Rental Payments to be Unconditional.** The obligations of Lessee to make payment of the Rental Payments required under this Article IV and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Agreement. Notwithstanding any dispute between Lessee and Lessor, any Vendor or any other dispute between Lessee and Lessor, any Vendor or any other person, Lessee shall make all payments of Rental Payments when due and shall not withhold any Rental Payments pending final resolution of such dispute, nor shall Lessee assert any right of set-off or counterclaim against its obligation to make such payments required under this Agreement. Lessee's obligation to make Rental Payments during the Original Term or the then-current Renewal Term for each Schedule shall not be abated through accident or unforeseen circumstances.

**Section 4.05. Non appropriation.** Lessee is obligated only to pay such Rental Payments under this Agreement (and any additional amounts due hereunder, if applicable) as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under a Lease following the then current Original Term or Renewal Term, that Lease shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver written notice to Lessor of such termination at least 60 days prior to the end of the then current Original Term or Renewal Term, but failure to give such written notice shall not extend the term beyond such Original Term or Renewal Term.

## **ARTICLE V. TITLE TO EQUIPMENT; SECURITY INTEREST; OPTION TO PURCHASE**

**Section 5.01. Title to the Equipment.** Upon acceptance of the Equipment by Lessee, title to the Equipment and any and all additions, repairs, replacements or modifications shall vest in Lessee, subject to the rights of Lessor under this Agreement; provided that title to the Equipment that is subject to any Lease shall thereafter immediately and without any action by Lessee vest in Lessor, and Lessee shall immediately surrender possession of that Equipment to Lessor, upon (a) any termination of that Lease other than termination pursuant to Section 5.04, or (b) the occurrence of an Event of Default with respect to that Lease. It is the intent of the parties hereto that any transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer.

**Section 5.02. Security Interest.** To secure the payment of all Lessee's obligations under this Agreement, Lessee grants to Lessor a security interest constituting a first lien on (i) the Equipment and on all additions, attachments, accessions, that are considered to be an integral part of the equipment, and substitutions thereto, and on any proceeds there from, and (ii) the acquisition fund established under any Escrow Agreement entered into in connection therewith. Lessee agrees to execute such additional documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain its security interest in the Equipment. Lessee hereby authorizes the filing of financing statements under the Uniform Commercial Code in connection with the security interest granted hereunder.

**Section 5.03. Personal Property.** Lessor and Lessee agree that the Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Upon the request of Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

**Section 5.04. Option to Purchase.** Lessee shall have the option to purchase Lessor's interest in all (but not less than all) of the Equipment described in any Schedule, upon giving written notice to Lessor at least 60 (but not more than 180) days before the date of purchase, at the following times and upon the following terms:

- (a) On the date of the last Rental Payment set forth in that Schedule (assuming this Agreement is renewed at the end of the Original Term and each Renewal Term), if the Agreement is still in effect on such day, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus One Dollar;
- (b) On the last day of the Original Term or any Renewal Term then in effect, upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule plus the then applicable Purchase Option Price set forth in that Schedule; or
- (c) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in that Schedule on the day specified in Lessee's written notice to Lessor of its exercise of the purchase option upon payment in full to Lessor of the Rental Payments and all other amounts then due under that Schedule, including, without limitation, interest accrued to the date of payment, plus the then applicable Purchase Option Price set forth in that Schedule.

## **ARTICLE VI. DELIVERY, MAINTENANCE; MODIFICATION; TAXES; INSURANCE AND OTHER CHARGES**

**Section 6.01. Delivery, Installation and Acceptance of Equipment.** Lessee shall order the Equipment, cause the Equipment to be delivered and installed at the locations specified in the Schedules and pay any and all delivery and installation costs in connection therewith. When the Equipment listed in any Schedule has been delivered and installed, Lessee shall immediately accept such Equipment and evidence said acceptance by executing and delivering to Lessor an Acceptance Certificate in the form attached hereto as Exhibit D.

**Section 6.02. Location; Inspection.** Once installed, no item of the Equipment will be moved from the location specified for it in the Schedule on which that item is listed without Lessor's consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting the Equipment.

**Section 6.03. Maintenance of Equipment by Lessee.** Lessee agrees that at all times during the Lease Term Lessee will, at Lessee's own cost and expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and that Lessee will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment. Lessee shall not make material modifications to the Equipment without the prior consent of Lessor.

**Section 6.04. Liens, Taxes, Other Governmental Charges and Utility Charges.** Lessee shall keep the Equipment free of all liens, charges and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation in any form (except for income taxes of Lessor), Lessee will pay, as the same respectively come due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment and any equipment or other property acquired by Lessee in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Equipment, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment; provided that, with respect to any governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as have accrued during the Lease Term. Lessee will take no action that will cause the interest portion of any Rental payment to become includable in gross income of the recipient for purposes of federal income taxation under the Code, and Lessee will take, and will cause its officers, employees and agents to take, all affirmative action legally within its power to prevent such interest from being includable in gross income for purposes of federal income taxation under the Code. Lessee acknowledges that Lessor's yield with respect to this Agreement is dependent upon the interest component of each Rental Payment being excluded from Lessor's income pursuant to the Code.

**Section 6.05. Provisions Regarding Insurance.** At its own expense, Lessee shall maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required

by Lessor, in an amount at least equal to the replacement cost of the Equipment, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self-insure against the risks described in clauses (a) and (b); provided further that, if Lessor provides such consent Lessee shall provide to Lessor information with respect to such self-insurance program as Lessor may request from time to time. All insurance proceeds from casualty losses shall be payable as hereinafter provided. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term. All such casualty and liability insurance shall be with insurers that are acceptable to Lessor, shall name Lessor as a loss payee and an additional insured, respectively, and shall contain a provision to the effect that such insurance shall not be canceled or modified materially without first giving written notice thereof to Lessor at least 30 days in advance of such cancellation or modification. All such casualty insurance shall contain a provision making any losses payable to Lessee and Lessor as their respective interests may appear.

**Section 6.06. Advances.** In the event Lessee shall fail to maintain the full insurance coverage required by this Agreement or shall fail to keep the Equipment in good repair and operating condition, Lessor may (but shall be under no obligation to) purchase the required insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; and all amounts so advanced therefore by Lessor shall constitute additional rent for the then-current Original Term or Renewal Term, and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the date advanced until paid at the rate of 18% per annum or the maximum interest rate permitted by law, whichever is less.

## **ARTICLE VII. DAMAGE, DESTRUCTION AND CONDEMNATION: USE OF NET PROCEEDS**

**Section 7.01. Risk of Loss.** Lessee is responsible for the entire risk of loss of or damage or destruction to the Equipment. No such loss, damage or destruction shall relieve Lessee of any obligation under this Agreement or any Lease.

**Section 7.02. Damage, Destruction and Condemnation.** If (a) the Equipment listed on any Schedule or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award to be applied to the prompt replacement, repair, restoration, modification or improvement of that Equipment, unless Lessee shall have exercised its option to purchase that Equipment pursuant to Section 5.04. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee.

**Section 7.03. Insufficiency of Net Proceeds.** If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to in Section 7.02, Lessee shall either complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, unless Lessee, pursuant to Section 5.04, purchases Lessor's interest in the Equipment destroyed, damaged or taken and any other Equipment listed in the same Schedule. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after purchasing Lessor's interest in the Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefore from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

## **ARTICLE VIII. DISCLAIMER OF WARRANTIES; VENDOR'S WARRANTIES; USE OF THE EQUIPMENT**

**Section 8.01. Disclaimer of Warranties.** LESSEE HAS SELECTED THE EQUIPMENT AND THE VENDORS. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY OR REPRESENTATION WITH RESPECT THERETO. In no event shall Lessor be liable for an incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any item or products or service provided for in this Agreement.

**Section 8.02. Vendor's Warranties.** Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights, including warranties of the Equipment, which Lessor may have against the Vendor of the Equipment. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against Lessor, nor shall such matter have any effect, whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made no representation or warranties whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

**Section 8.03. Use of the Equipment.** Lessee will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with all laws of the jurisdictions in which its operations involving any item of Equipment may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Equipment, provided, however, that Lessee may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Lessor, adversely affect the title of Lessor in and to any of the items of the Equipment or its interest or rights under this Agreement.

**Section 8.04. Essential Nature of the Equipment.** Lessee confirms and affirms that the Equipment is essential to the function of Lessee and the services provided to its citizens, that there is an immediate need for the Equipment which is not temporary or expected to diminish in the foreseeable future, and that Lessee will use substantially all the Equipment for the purpose of performing one or more governmental or proprietary functions consistent with the permissible scope of its authority.

## **ARTICLE IX. ASSIGNMENT, SUBLEASING, INDEMNIFICATION, MORTGAGING AND SELLING**

**Section 9.01. Assignment by Lessor.** Lessor's interest in, to, and under this Agreement; any Lease and the Equipment may be assigned and reassigned in whole or in part to one or more assignees by Lessor at any time subsequent to its execution. Lessee hereby agrees to maintain a written record of each such assignment in form necessary to comply with Section 149(a) of the Code. No such assignment shall be binding on Lessee until it has received written notice from Lessor of the assignment disclosing the name and address of the assignee. Lessee agrees to execute all documents, including chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interests in the Equipment and in this Agreement. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may from time to time have against Lessor.

**Section 9.02. Assignment and Subleasing by Lessee.** None of Lessee's interest in, to and under this Agreement and in the Equipment may be sold, assigned, subleased, pledged or otherwise encumbered by Lessee without the prior written consent of Lessor.

**Section 9.03. Release and Indemnification Covenants.** To the extent permitted by law, Lessee shall indemnify, protect, hold harmless, save and keep harmless Lessor from and against any and all liabilities, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and all expenses in connection therewith (including, without limitation, counsel fees and expenses, penalties connected therewith imposed on interest received) arising out of or as (a) result of the entering into of this Agreement, (b) the ownership of any item of the Equipment, (c) the manufacture, ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Equipment, (d) or any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

## **ARTICLE X. EVENTS OF DEFAULT AND REMEDIES**

**Section 10.01. Events of Default Defined.** Subject to the provisions of Section 4.05, any of the following events shall constitute an "Event of Default" under any Lease:



- (a) Failure by Lessee to pay any Rental Payment or other payment required to be paid under that Lease at the time specified in that Lease;
- (b) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed under that Lease, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;
- (c) Any statement, representation or warranty made by Lessee in or pursuant to that Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- (d) Any provision of that Lease shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee shall deny that it has any further liability or obligation under that Lease.
- (e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or
- (f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

**Section 10.02. Remedies on Default.** Whenever any Event of Default under any Lease exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (a) By written notice to Lessee, declare all Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term to be due;
- (b) With or without terminating that Lease, Lessor may, upon 5 days written notice to Lessee, enter the premises where any Equipment that is subject to that Lease is located and retake possession of that Equipment or require Lessee at Lessee's expense to promptly return any or all of the Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments and other amounts payable by Lessee under that Lease plus the then-applicable Purchase Option Price for that Equipment and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (b) shall not exceed the Rental Payments and other amounts otherwise due under that Lease plus the remaining Rental Payments and other amounts payable by Lessee under that Lease to the end of the then current Original Term or Renewal Term; and
- (c) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Lease or as the owner of any or all of the Equipment that is subject to that Lease.

In addition, whenever an Event of Default exists with respect to any Rental Payment required by a particular Schedule or with respect to any other payment, covenant, condition, agreement, statement, representation or warranty set forth in that Schedule or applicable to that Schedule or the Equipment listed therein, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

- (d) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to that Schedule and other amounts payable by Lessee under this Agreement to the end of the then current Original Term or Renewal Term to be due;
- (e) With or without terminating that Schedule, Lessor may, upon 5 days written notice to Lessee, enter the premises where the Equipment listed in that Schedule is located and retake possession of that Equipment or require Lessee at Lessee's expense to promptly return any or all of that Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease that Equipment or, for the account of Lessee, sublease that Equipment, continuing to hold Lessee liable for the difference between (i) the Rental Payments payable by Lessee pursuant to that Schedule and other amounts related to that Schedule or the Equipment listed therein that are payable by Lessee hereunder plus the then applicable Purchase Option Price for that Equipment, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under this Agreement, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneers' and attorneys' fees) provided that the amount of Lessee's liability under this subparagraph (e) shall not exceed the Rental Payments and other amounts otherwise due under that Schedule plus the remaining Rental Payments and other amounts payable by Lessee under that Schedule to the end of the then current Original Term or Renewal Term; and
- (f) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under that Schedule, this Agreement with respect to that Schedule and the Equipment listed therein.

In addition to the remedies specified above, Lessor may charge interest on all amounts due to it at the rate of 10% per annum or the maximum amount permitted by law, whichever is less. The exercise of any such remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities under any other Schedules, this Agreement related to any other Schedule or the Equipment listed therein.

**Section 10.03. No Remedy Exclusive.** No remedy conferred upon or reserved to Lessor by this Article is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this lease. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient by Lessor or its assignee.

**Section 10.04. Agreement to Pay Attorneys' Fees and Expenses.** If Lessee should default under any of the provisions hereof and Lessor should employ attorneys or incur other expenses for the collection of moneys or for the enforcement of performance or observance of any obligation or agreement on the part of Lessee contained in this Agreement, Lessee agrees, to the extent it is permitted by law to do so, that it will, if assessed by a court of competent jurisdiction, pay to Lessor the reasonable fees of those attorneys and other reasonable expenses so incurred by Lessor.

**Section 10.05. Application of Moneys.** Any net proceeds from the exercise of any remedy hereunder (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees) shall be applied as follows:

- (a) If such remedy is exercised solely with respect to a single Schedule, Equipment listed in that Schedule or rights under the Agreement related to that Schedule, then to amounts due pursuant to that Schedule and other amounts related to that Schedule or that Equipment.
- (b) If such remedy is exercised with respect to more than one Schedule, Equipment listed in more than one Schedule or rights under the Agreement related to more than one Schedule, then to amounts due pursuant to those Schedules pro rata.

## ARTICLE XI. MISCELLANEOUS

**Section 11.01. Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business.

**Section 11.02. Binding Effect; Entire Agreement; Amendments and Modifications.** This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns. The terms of this Agreement shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the Lessor and the Lessee; nor shall any such amendment that affects the

rights of Lessor's assignee be effective without such assignee's consent. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.03. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.04. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.05. Amendments, Changes and Modifications. This Agreement may be amended, added to, changed or modified by written agreement duly executed by Lessor and Lessee.

Section 11.06. Execution in Counterparts; Chattel Paper. This Agreement, including in writing each Schedule, may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; except (1) to the extent that various Schedules and this Agreement as it relates thereto constitutes separate Leases as provided in this Agreement and (2) that Lessor's interest in, to and under any Schedule and the Agreement as it relates to that Schedule, and the Equipment listed in that Schedule may be sold or pledged only by delivering possession of the original counterpart of that Schedule marked "Counterpart No. 1," which Counterpart No. 1 shall constitute chattel paper for purposes of the Uniform Commercial Code.

Section 11.07. Usury. The parties hereto agree that the charges in this Agreement and any Lease shall not be a violation of usury or other law. Any such excess charge shall be applied in such order as to conform this Agreement and such Lease to such applicable law.

Section 11.08. Jury Trial Waiver. To the extent permitted by law, lessee agrees to waive its right to a trial by jury.

Section 11.09. Facsimile Documentation. Lessee agrees that a facsimile copy of this Agreement or any Lease with facsimile signatures may be treated as an original and will be admissible as evidence of this Agreement or such Lease.

Section 11.10. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives listed below.

**Lease No. NORCA2018-06E**

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

**LESSOR:**

Community First National Bank

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title



## EXHIBIT A

### SCHEDULE OF EQUIPMENT NO. 01, Dated 7/6/2018

Counterpart No. 1.

LESSOR'S INTEREST IN, TO AND UNDER THIS SCHEDULE AND THE AGREEMENT AS IT RELATES TO THIS SCHEDULE MAY BE SOLD OR PLEDGED ONLY BY DELIVERING POSSESSION OF COUNTERPART NO: 1 OF THIS SCHEDULE, WHICH COUNTERPART NO. 1 SHALL CONSTITUTE CHATTEL PAPER FOR PURPOSES OF THE UNIFORM COMMERCIAL CODE.

Re: Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.

1. **Defined Terms.** All terms used herein have the meanings ascribed to them in the above referenced Master Equipment Lease Purchase Agreement (the "Master Equipment Lease").
2. **Equipment.** The Equipment included under this Schedule of Equipment is comprised of the items described in the Equipment Description attached hereto as **Attachment 1**, together with all replacements, substitutions, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto.
3. **Payment Schedule.** The Rental Payments and Purchase Option Prices under this Schedule of Equipment are set forth in the Payment Schedule attached as **Attachment 2** hereto.
4. **Representations, Warranties and Covenants.** Lessee hereby represents, warrants, and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the date of commencement of Rental Payments on this Schedule.
5. **The Master Equipment Lease.** This Schedule is hereby made as part of the Master Equipment Lease and Lessor and Lessee hereby ratify and confirm the Master Equipment Lease. The terms and provisions of the Master Equipment Lease (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated by reference and made a part hereof.

Lease Number: NORCA2018-06E

**LESSEE:**

North County Fire Protection District

**LESSOR:**

Community First National Bank

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

## **ATTACHMENT 1 EQUIPMENT DESCRIPTION**

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**RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

**Lease Number: NORCA2018-06E**

Two (2) New Pierce Type One Pierce Pumpers with Equipment

With a total acquisition cost of \$1,464,657.12, together with all additions, accessions and replacements thereto. Lessee hereby certifies the description of the personal property set forth above constitutes an accurate description of the "Equipment", as defined in the attached Master Equipment Lease Purchase Agreement and the Equipment is located on the premise of the Lessee unless otherwise noted by the Lessee.

Physical location where equipment will be stored after delivery: \_\_\_\_\_

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

## **ATTACHMENT 2**

## PAYMENT SCHEDULE

RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.

Lease Number: NORCA2018-06E

Amount Financed: \$1,464,657.12

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
1	8/1/2019	\$33,494.99	\$61,777.61	(\$28,282.62)	Not Available
2	11/1/2019	\$33,494.99	\$14,720.39	\$18,774.61	Not Available
3	2/1/2020	\$33,494.99	\$14,535.27	\$18,959.72	Not Available
4	5/1/2020	\$33,494.99	\$14,348.33	\$19,146.67	Not Available
5	8/1/2020	\$33,494.99	\$14,159.54	\$19,335.45	Not Available
6	11/1/2020	\$33,494.99	\$13,968.89	\$19,526.10	Not Available
7	2/1/2021	\$33,494.99	\$13,776.36	\$19,718.63	Not Available
8	5/1/2021	\$33,494.99	\$13,581.94	\$19,913.05	Not Available
9	8/1/2021	\$33,494.99	\$13,385.60	\$20,109.40	Not Available
10	11/1/2021	\$33,494.99	\$13,187.32	\$20,307.67	Not Available
11	2/1/2022	\$33,494.99	\$12,987.08	\$20,507.91	Not Available
12	5/1/2022	\$33,494.99	\$12,784.88	\$20,710.12	Not Available
13	8/1/2022	\$33,494.99	\$12,580.67	\$20,914.32	\$1,255,016.11
14	11/1/2022	\$33,494.99	\$12,374.46	\$21,120.53	\$1,233,895.57
15	2/1/2023	\$33,494.99	\$12,166.21	\$21,328.78	\$1,212,566.79
16	5/1/2023	\$33,494.99	\$11,955.91	\$21,539.08	\$1,191,027.71
17	8/1/2023	\$33,494.99	\$11,743.53	\$21,751.46	\$1,169,276.25
18	11/1/2023	\$33,494.99	\$11,529.06	\$21,965.93	\$1,147,310.33
19	2/1/2024	\$33,494.99	\$11,312.48	\$22,182.51	\$1,125,127.81
20	5/1/2024	\$33,494.99	\$11,093.76	\$22,401.23	\$1,102,726.58
21	8/1/2024	\$33,494.99	\$10,872.88	\$22,622.11	\$1,080,104.48
22	11/1/2024	\$33,494.99	\$10,649.83	\$22,845.16	\$1,057,259.32
23	2/1/2025	\$33,494.99	\$10,424.58	\$23,070.41	\$1,034,188.90
24	5/1/2025	\$33,494.99	\$10,197.10	\$23,297.89	\$1,010,891.01
25	8/1/2025	\$33,494.99	\$9,967.39	\$23,527.61	\$987,363.41
26	11/1/2025	\$33,494.99	\$9,735.40	\$23,759.59	\$963,603.82
27	2/1/2026	\$33,494.99	\$9,501.13	\$23,993.86	\$939,609.96
28	5/1/2026	\$33,494.99	\$9,264.55	\$24,230.44	\$915,379.53
29	8/1/2026	\$33,494.99	\$9,025.64	\$24,469.35	\$890,910.18
30	11/1/2026	\$33,494.99	\$8,784.37	\$24,710.62	\$866,199.56
31	2/1/2027	\$33,494.99	\$8,540.73	\$24,954.26	\$841,245.30
32	5/1/2027	\$33,494.99	\$8,294.68	\$25,200.31	\$816,044.98
33	8/1/2027	\$33,494.99	\$8,046.20	\$25,448.79	\$790,596.20
34	11/1/2027	\$33,494.99	\$7,795.28	\$25,699.71	\$764,896.48
35	2/1/2028	\$33,494.99	\$7,541.88	\$25,953.11	\$738,943.37
36	5/1/2028	\$33,494.99	\$7,285.98	\$26,209.01	\$712,734.36

Payment Number	Payment Date	Payment Amount	Interest Portion	Principal Portion	Purchase Option Price
37	8/1/2028	\$33,494.99	\$7,027.56	\$26,467.43	\$686,266.93
38	11/1/2028	\$33,494.99	\$6,766.59	\$26,728.40	\$659,538.53
39	2/1/2029	\$33,494.99	\$6,503.05	\$26,991.94	\$632,546.59
40	5/1/2029	\$33,494.99	\$6,236.91	\$27,258.08	\$605,288.51
41	8/1/2029	\$33,494.99	\$5,968.14	\$27,526.85	\$577,761.66
42	11/1/2029	\$33,494.99	\$5,696.73	\$27,798.26	\$549,963.40
43	2/1/2030	\$33,494.99	\$5,422.64	\$28,072.35	\$521,891.05
44	5/1/2030	\$33,494.99	\$5,145.85	\$28,349.15	\$493,541.91
45	8/1/2030	\$33,494.99	\$4,866.32	\$28,628.67	\$464,913.24
46	11/1/2030	\$33,494.99	\$4,584.04	\$28,910.95	\$436,002.29
47	2/1/2031	\$33,494.99	\$4,298.98	\$29,196.01	\$406,806.28
48	5/1/2031	\$33,494.99	\$4,011.11	\$29,483.88	\$377,322.40
49	8/1/2031	\$33,494.99	\$3,720.40	\$29,774.59	\$347,547.81
50	11/1/2031	\$33,494.99	\$3,426.82	\$30,068.17	\$317,479.64
51	2/1/2032	\$33,494.99	\$3,130.35	\$30,364.64	\$287,115.00
52	5/1/2032	\$33,494.99	\$2,830.95	\$30,664.04	\$256,450.96
53	8/1/2032	\$33,494.99	\$2,528.61	\$30,966.38	\$225,484.58
54	11/1/2032	\$33,494.99	\$2,223.28	\$31,271.71	\$194,212.86
55	2/1/2033	\$33,494.99	\$1,914.94	\$31,580.05	\$162,632.81
56	5/1/2033	\$33,494.99	\$1,603.56	\$31,891.43	\$130,741.38
57	8/1/2033	\$33,494.99	\$1,289.11	\$32,205.88	\$98,535.50
58	11/1/2033	\$33,494.99	\$971.56	\$32,523.43	\$66,012.07
59	2/1/2034	\$33,494.99	\$650.88	\$32,844.11	\$33,167.96
60	5/1/2034	\$33,494.99	\$327.04	\$33,167.96	\$0.00

**LESSEE:**

North County Fire Protection District

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Kenneth Munson, President



## EXHIBIT B

### LESSEE RESOLUTION

**Re:** Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.

I, the undersigned, the duly appointed, qualified and acting **Secretary OR Acting Secretary** of the above captioned Lessee do hereby certify this date \_\_\_\_\_, as follows:

- (1) Lessee did, at a meeting of the governing body of the Lessee held on \_\_\_\_\_, by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the above referenced Schedule of Equipment No. 01 (the "Schedule") on its behalf by the following named representative of the Lessee, to witness:

\_\_\_\_\_  
**Authorized Signer:** Kenneth Munson, President

- (2) The above named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.
- (3) The meeting of the governing body of the Lessee at which the Schedule was approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval and that the action approving the Schedule and authorizing the execution thereof has not been altered or rescinded.
- (4) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as such term is defined in the above referenced Master Equipment Lease Purchase Agreement) exists at the date hereof.
- (5) All insurance required in accordance with the above referenced Master Equipment Lease Purchase Agreement is currently maintained by the Lessee.
- (6) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term (as such terms are defined in the above referenced Master Equipment Lease Purchase Agreement) and such funds have not been expended for other purposes.
- (7) The fiscal year of Lessee is from \_\_\_\_\_ to \_\_\_\_\_.

The signatures below from the designated individuals from the Governing Body of the Lessee evidence the adoption by the Governing Body of this resolution.

**North County Fire Protection District**

**Attested By:** \_\_\_\_\_  
Stephen Abbott, Fire Chief

**Certified By:** \_\_\_\_\_  
Loren A. Stephen-Porter, Secretary OR Cherie Juul, Acting Secretary

## EXHIBIT C

### OPINION OF LESSEE'S COUNSEL

*(Must be re-Printed onto attorney's letterhead)*

(Date)

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

**Re: Lessee: North County Fire Protection District**

Ladies and Gentlemen:

As legal counsel to North County Fire Protection District (the "Lessee"), I have examined (a) an executed counterpart of a certain Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, and Exhibits thereto by and between Community First National Bank (the "Lessor") and Lessee, Schedule of Equipment No. 01, dated 7/6/2018, and a certain Escrow Agreement dated as of 7/6/2018, (collectively, the "Agreement") by and between Lessor and Lessee, which, among other things, provides for the lease with option to purchase by the Lessee of certain property listed in the Schedule (the "Equipment"); (b) an executed counterpart of the ordinances or resolutions of Lessee which, among other things, authorizes Lessee to execute the Agreement and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions.

Based on the foregoing, I am of the following opinions:

- (1) Lessee's true and correct name is North County Fire Protection District.
- (2) Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power;
- (3) Lessee has the requisite power and authority to lease the Equipment with an option to purchase and to execute and deliver the Agreement and to perform its obligations under the Agreement;
- (4) The Agreement and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee and the Agreement and other documents either attached thereto or required therein are the valid and binding obligations of Lessee enforceable in accordance with their terms;
- (5) The authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state or federal laws; and
- (6) There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Agreement or the security interest of Lessor or its assigns, as the case may be, in the Equipment.
- (7) The signatures of the officers which appear on the Agreement are true and genuine; I know said officers and know them to hold the offices set forth below their names.
- (8) No further approval, consent or withholding of objection is required from any federal, state or local governmental authority with respect to the entering into or performance by the Lessee of the Lease and the transaction contemplated thereby.
- (9) The Equipment leased pursuant to the Agreement constitutes personal property and when subjected to use by Lessee will not be or become fixtures under applicable law.
- (10) The Lessee is a political subdivision within the meaning of Section 103 of the Internal Revenue Code of 1986 as amended and the related regulations and rulings.
- (11) The leasing of the Equipment pursuant to the Agreement is exempt from all sales and use taxes against either the Lessor or the Lessee during the term of the Lease pursuant to the Agreement and the Equipment will be exempt from all state and local personal property or other ad valorem taxes.

All capitalized terms herein shall have the same meanings as in the foregoing Agreement unless otherwise provided herein. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Rental Payments are entitled to rely on this opinion.

Signature of Legal Counsel

## EXHIBIT D

## ACCEPTANCE CERTIFICATE

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

Ladies and Gentlemen,

**RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

In accordance with the Master Equipment Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) listed in the above referenced Schedule of Equipment (the "Schedule") has been delivered, installed and accepted on the date hereof.
- (2) Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Lessee is currently maintaining the insurance coverage required by **Section 6.05** of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.
- (5) Lessee has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Rental Payments required to be paid under the Agreement during the current Budget Year of Lessee, and such moneys will be applied in payment of all Rental Payments due and payable during such current Budget Year.
- (6) The governing body of Lessee has approved the authorization, execution and delivery of this Agreement on its behalf by the authorized representative of Lessee who signed the Agreement.
- (7) The Lessee will in a timely fashion submit the appropriate paperwork to the State to have a title to the Equipment issued in their name as owner and Lessor listed as first lienholder. Such verification of perfected ownership and security interest will be provided to Lessor no later than 90 days from delivery of the Equipment.

**LESSEE:**  
North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

*\*If delivery is not immediate, keep until final delivery.*

## BANK QUALIFIED CERTIFICATE

**RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

Whereas, Lessee hereby represents it is a "Bank Qualified" Issuer for the calendar year in which the above referenced Schedule is executed by making the following designations with respect to Section 265 of the Internal Revenue Code. (A "Bank Qualified Issuer" is an issuer that issues less than \$10,000,000 dollars of tax-exempt obligations during the calendar year).

Now, therefor, Lessee hereby designates the above referenced Schedule as follows:

1. **Designation as Qualified Tax-Exempt Obligation.** Pursuant to Section 265(b)(3)(B)(i) of the Internal Revenue Code of 1986 as amended (the "Code"), the Lessee hereby specifically designates the above referenced Schedule as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3) of the Code. In compliance with Section 265(b)(3)(D) of the Code, the Lessee hereby represents that the Lessee will not designate more than \$10,000,000 of obligations issued by the Lessee in the calendar year during which the above referenced Schedule is executed and delivered as such "qualified tax-exempt obligations".
2. **Issuance Limitation.** In compliance with the requirements of Section 265(b)(3)(C) of the Code, the Lessee hereby represents that the Lessee (including all subordinate entities of the Lessee within the meaning of Section 265(b)(3)(E) of the Code) reasonably anticipates not to issue in the calendar year during which the above referenced Schedule is executed and delivered, obligations bearing interest exempt from federal income taxation under Section 103 of the Code (other than "private activity bonds" as defined in Section 141 of the Code) in an amount greater than \$10,000,000.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

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## **INSURANCE COVERAGE REQUIREMENTS**

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## Lessee: North County Fire Protection District

Please mark one of the following:

( ) Pursuant to Section 6.05 of the Agreement, you have agreed to provide us evidence of insurance covering the property in the Agreement. A Certificate of Insurance naming all insured parties and coverage must be provided to us as soon as possible, but no later than the date on which delivery of equipment occurs.

( ) Pursuant to Section 6.05 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form, together with a copy of the statute authorizing this form of insurance. Coverage must be provided to us as soon as possible, but no later than the date on which delivery of equipment occurs.

Equipment to be insured: **Two (2) New Pierce Type One Pierce Pumpers with Equipment**

Policy should be issued and mailed to: Community First National Bank and/or Its Assigns  
215 S. Seth Child Road  
Manhattan, KS 66502

### INSURANCE REQUIREMENTS:

#### 1. LIABILITY

- ✓ \$1,000,000.00 Aggregate Bodily Injury
- ✓ \$1,000,000.00 Combined Single Limit per Occurrence
- ✓ Community First National Bank and/or Its Assigns **MUST** be listed as additional insured and loss payee.

#### 2. PHYSICAL DAMAGE

- ✓ All risk coverage to guarantee proceeds sufficient to cover the replacement cost of the equipment.
- ✓ Community First National Bank and/or Its Assigns **MUST** be listed as additional insured and loss payee.

#### 3. ENDORSEMENT

- ✓ Lessor will receive at least thirty (30) days written notice from Insurer prior to alteration, cancellation or reduction of insurance coverage.
- ✓ Deductibles should be listed on the Certificate of Coverage

**THE CERTIFICATE SHOULD BE  
EMAILED TO [cindyturner@clpusa.net](mailto:cindyturner@clpusa.net)  
OR FAXED TO: 888.777.7875**

Insurance Company Name:		
Agents Name:		
Address:		
City:	State:	Zip:
Phone:	Fax:	Email:

#### LESSEE:

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

## INVOICE INSTRUCTIONS

**RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee.**

**Lease Number: NORCA2018-06E**

**Equipment Description: Two (2) New Pierce Type One Pierce Pumpers with Equipment**

Please provide contact information for billing and invoicing purposes.

Person/Department: \_\_\_\_\_  
P.O. Box/Street: \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
Email Address: \_\_\_\_\_

## NOTICE OF ASSIGNMENT

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June 12, 2018

North County Fire Protection District  
330 S. Main Avenue  
Fallbrook, CA 92028

**RE: Schedule of Equipment No. 01, dated 7/6/2018, to Master Equipment Lease Purchase Agreement, dated as of 7/6/2018, between Community First National Bank, as Lessor, and North County Fire Protection District, as Lessee. Along with the Escrow Agreement entered into as of 7/6/2018.**

Please be advised that Community First National Bank has assigned all its right, title and interest in, to and under the above referenced Master Equipment Lease Purchase Agreement (the "Agreement"), the Equipment leased thereunder and the right to receive Rental Payments thereunder to the following assignee:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Community First National Bank will be the servicing this lease and all Rental Payments and payment of the Purchase Option Price due under the Agreement will be made to:

**Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502**

Community First National Bank

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

**ACKNOWLEDGED AND ACCEPTED:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\*Lessor may at a future date desire to assign this lease agreement. At this time, a specific Assignee is undetermined. At such time Lessor determines a need to assign this lease, Lessee will be provided with a completed copy of this page for their records and be made aware of any changes in where to send the rental payments going forward. This assignment option is outlined in Article IX of the Master Equipment Lease Purchase Agreement.

# ESCROW AGREEMENT

THIS ESCROW AGREEMENT, made and entered into as of 7/6/2018 by and among Community First National Bank, a national banking association ("Escrow Agent"), Community First National Bank, a corporation duly organized and existing under the Laws of the State of Kansas ("Lessor"), and North County Fire Protection District ("Lessee") a political subdivision under the laws of the State of California ("State"), duly organized and existing under the Constitution and laws of the State.

## WITNESSETH

WHEREAS, Lessee and Lessor have entered into a Schedule of Equipment No. 01, dated 7/6/2018 to Master Equipment Lease Purchase Agreement dated as of 7/6/2018 ("Agreement"), a duplicate original of which has been furnished to each of the parties, whereby Lessor has agreed to acquire certain equipment described therein ("Equipment"), and to sell the Equipment to the Lessee, and Lessee has agreed to purchase the Equipment from Lessor, in the manner and on the terms set forth in the Agreement; and

WHEREAS, the Equipment has or will be ordered from the Vendor, and there is expected to be a delay in delivery of the Equipment to Lessee; and

WHEREAS, in order to secure the obligations of Lessor under the Agreement, Lessee has requested Lessor to set aside in escrow with the Escrow Agent, pursuant to the terms hereof, the anticipated purchase price of the Equipment; and

WHEREAS, Lessee, as agent for Lessor, will cause the Equipment to be acquired from Vendor in accordance with the purchase orders or contracts therefore, and neither Lessor nor the Escrow Agent shall be obligated to assume or perform any obligation of the Lessee or Vendor with respect thereto or under the Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

## ARTICLE I. APPOINTMENT OF ESCROW AGENT: DEFINITIONS

**Section 1.01. Appointment of Escrow Agent.** Lessor and Lessee hereby appoint and employ Escrow Agent, to receive, hold, invest and disburse the moneys to be paid to it pursuant to this Escrow Agreement and the Agreement, and to perform certain other functions, all as hereinafter provided. By executing and delivering this Escrow Agreement, Escrow Agent accepts the duties and obligations of Escrow Agent provided herein, but only upon the terms and conditions set forth.

**Section 1.02. Definitions.** The terms defined in this Section shall, for all purposes of this Escrow Agreement have the meanings specified below. Any capitalized term not defined below shall have the meaning ascribed in the Agreement.

"Agreement" means the Schedule of Equipment No. 01, dated 7/6/2018 to Master Equipment Lease Purchase Agreement dated 7/6/2018, by and between Lessee and Lessor and any duly authorized and executed amendment thereto, the terms of which are incorporated herein by reference.

"Acquisition Costs" means, with respect to the Equipment, the contract price paid or to be paid to Vendor therefore upon acquisition or delivery of any portion of the Equipment in accordance with the purchase order or contract therefore. Acquisition Costs include the administrative, engineering, legal, financial and other costs incurred by the Lessee in connection with the acquisition, delivery and financing by Lessor of the Equipment.

"Acceptance Certificate" means an acceptance certificate in the form attached to the Agreement.

"Acquisition Fund" means the fund by that name established and held by the Escrow Agent pursuant to Article II of this Escrow Agreement.

"Closing Date" means the day when Lessor deposits with the Escrow Agent the moneys required to be deposited pursuant to Article II.

"Equipment" means the personal property described in the Agreement, together with any and all modifications, additions and alterations thereto, to be acquired from the moneys held in the Acquisition Fund.

"Escrow Agent" means Community First National Bank or any successor thereto acting as Escrow Agent pursuant to this Escrow Agreement.

"Escrow Agreement" means this Escrow Agreement and any duly authorized and executed amendment thereto.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State in which he maintains an office and who is not an employee of Lessor, the Escrow Agent or the Lessee.

"Lessee Representative" means the representative of Lessee or a person authorized by the Lessee to act on its behalf under or with respect to this Agreement.

"Lessor Representative" means the President, any Vice President or Assistant Vice President of Lessor, or any person authorized to act on behalf of Lessor under or with respect to this Agreement, as evidenced by a certificate conferring such authorization executed by the President, any Vice President or Assistant Vice President of Lessor, given to the Lessee or the Lessee Representative.

"Payment Date" means the date upon which any Rental Payment under the Agreement is due and payable, as set forth in the Payment Schedule.

"Payment Request Form" means the document substantially in the form attached hereto as Exhibit A to be executed by Lessee and Lessor and submitted to Escrow Agent to authorize payment of Acquisition Costs.

"Qualified Investments" means (i) direct general obligations of the United States of America; (ii) obligations guaranteed by the United States; (iii) general obligations of the agencies and instrumentalities of the United States; (iv) certificates of deposit, time deposits or demand deposits with a bank or savings institution qualified as a depository of public funds in the State of Kansas, provided that such certificates of deposit, time deposits or demand deposits, if not insured by the Federal Deposit Insurance Corporation of the Federal Savings and Loan Insurance Corporation, are fully secured by obligations described in Clauses (i), (ii) or (iii); (v) money market funds, the assets of which are obligations of or guaranteed by the United States of America and which funds are rated "Aaa" by Moody's Investors Service or "Am" or "Am-G" by Standard & Poor's Corporation.

"Rental Payments" means the basic payments payable by Lessee to Lessor pursuant to the provisions of the Agreement during the term thereof which are payable in conjunction of the right of Lessee to use the Equipment during the then current portion of the term of the Agreement.

"Term of the Agreement" means the time during which the Agreement is in effect, as provided in Article III of the Agreement.

"Vendor" means the manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased will purchase or has ordered the Equipment or with whom Lessor has contracted for the acquisition of the Equipment.

**Section 1.03. Authorization.** Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by the officers and person signing it.

## ARTICLE II. ACQUISITION FUND

**Section 2.01. Acquisition Fund.** Escrow Agent shall establish a special fund designated as the "Acquisition Fund"; shall keep such Acquisition Fund separate and apart from all other funds and moneys held by it; and shall administer such funds as expressly provided hereunder.

**Section 2.02. Deposit of Moneys by Lessor.** At the Closing Date, Lessor shall deposit with the Escrow Agent the amount of \$1,464,657.12. Escrow Agent shall credit said amount to the Acquisition Fund established and to be held, applied and disbursed as herein provided.

**Section 2.03. Purpose; Payment of Acquisition Costs.** The Acquisition Fund shall be expended for the Acquisition Costs of the Equipment. Escrow Agent shall pay from the Acquisition Fund the Acquisition Costs of the Equipment, upon receipt from Lessee and Lessor the following items:

- (a) in the case of payment of any Acquisition Costs to Vendor pursuant to a contract or purchase order, (1) a duly executed Payment Request Form, with a true copy of the Vendor's statement attached, (2) where applicable, a duplicate original of any change order approved by



Lessee and Lessor increasing Acquisition Costs in an amount in excess of the original purchase order or contract price, (3) receipts from the Vendor showing proper application of prior requisitions, (4) bills of sale for any component of the Equipment for which a bill of sale may be delivered, and (5) an Acceptance Certificate with respect to the Equipment for which disbursement is requested;

- (b) in the case of any Acquisition Costs previously paid by Lessee for which it is seeking reimbursement, (1) a duly executed Payment Request Form, (2) a true copy of Vendor's statement for such Acquisition Costs, (3) evidence of payment, and (4) evidence of Lessee's declaration of official intent for reimbursement, which declaration shall have been made no later than 60 days after the Lessee paid the Acquisition Costs; or

- (c) in the case of payment of any other Acquisition Costs, a duly executed Payment Request Form.

**Section 2.04. Escrow Agent's Compensation.** As compensation for the services to be rendered hereunder, Lessee agrees to pay the Escrow Agent \$200.00 ("Escrow Agent's Compensation"). The Escrow Agent's Compensation shall be payable from interest earnings on the escrow account and will be paid upon disbursement of proceeds to the vendor and closing of the escrow account. If the interest earnings on the escrow account are not sufficient to pay the Escrow Agent's Compensation, Escrow Agent shall provide Lessee with an invoice for the shortfall and Lessee shall pay such amount to Escrow Agent upon demand. If funds remain in the Acquisition Fund, excluding Acquisition Costs and Escrow Agent's Compensation, after the full delivery and acceptance of the Equipment, then Lessee and Lessor agree such excess funds shall be retained by Escrow Agent as partial compensation for the performance of its obligations hereunder.

**Section 2.05. Transfers Upon Completion.** Upon the first to occur of (a) payment of all Acquisition Costs with respect to the Equipment; or (b) the one year anniversary of the Closing Date, Escrow Agent shall apply all remaining moneys in the Acquisition Fund to the next Rental Payment(s) due under the Agreement by paying such moneys directly to the Lessor or its assignees.

**Section 2.06. Termination.** If this Escrow Agreement is terminated by Lessor as authorized under Article VII and the Agreement, all moneys in the Acquisition Fund shall be paid to Lessor or assignees for application against moneys due to Lessor under the Agreement. In the event that Lessor provides to the Escrow Agent written notice of the occurrence of an Event of Default under the Agreement or the termination of the Agreement for any reason other than Lessee's payment of the applicable Purchase Option Price, Escrow Agent shall immediately remit any and all funds in the Acquisition Fund to Lessor.

### **ARTICLE III. MONEYS IN FUNDS: INVESTMENTS; TERMINATION**

**Section 3.01. Held in Trust.** The moneys and investments held by the Escrow Agent under this Escrow Agreement are irrevocably held in trust for the benefit of the Lessee and for the purposes herein specified. Such moneys, and any income or interest earned thereon, shall be expended only as provided in this Escrow Agreement, and shall not, to the extent permitted by applicable law, as otherwise expressly provided herein, be subject to levy or attachment or lien by or for the benefit of any creditor of either Lessor or Lessee.

**Section 3.02. Investments Authorized.** Moneys held by the Escrow Agent hereunder may be invested, and upon written order of the Lessee Representative shall, be invested by the Escrow Agent in Qualified Investments. Such investments shall be registered in the name of the Escrow Agent and held by Escrow Agent which may act as a purchaser or agent in making or disposing thereof. Such investments and reinvestments shall be made giving full consideration for the time when funds will be required to be available for acquisition.

**Section 3.03. Accounting.** The Escrow Agent shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Escrow Agreement.

**Section 3.04. Valuation and Disposition of Investments.** For the purpose of determining the amount in the Acquisition Fund, all Qualified Investments credited to such fund shall be valued at cost (exclusive of accrued interest after the first interest payments following purchase). Escrow Agent may sell at the best price obtainable, or present for redemption, any Qualified Investment so purchased by Escrow Agent, whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the Acquisition Fund to which such Qualified Investment is credited and Escrow Agent shall not be liable or responsible for any loss resulting from such investment.

**Section 3.05. Deposit of Moneys in Acquisition Fund.** All moneys held by the Escrow Agent in the Acquisition Fund established pursuant to this Agreement, except such moneys which are at the time invested as herein provided, shall be deposited in demand or time deposits (which may be represented by time certificates of deposit) in any bank or trust company authorized to accept deposits of public funds (including the banking department of the Escrow Agent), and, as and to the extent required by law, shall be secured at all times by obligations which are eligible by law to secure deposits of public moneys. Such obligations shall be deposited with such bank or banks as may be selected by Escrow Agent, and held by or for the account of the Escrow Agent as security for such deposits.

**Section 3.06. Termination.** Unless earlier terminated pursuant to Article VII, this Escrow Agreement shall terminate upon the final distribution of all moneys in the Acquisition Fund.

### **ARTICLE IV. THE ESCROW AGENT**

**Section 4.01. Removal of Escrow Agent.** The Lessee and Lessor, by written agreement between themselves, may by written request, at any time and for any reason, remove the Escrow Agent and any successor thereto, and shall thereupon appoint a successor or successors thereto, but any such successor shall have capital (exclusive of borrowed capital) and surplus of at least Ten Million Dollars (\$10,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to statute or to the requirements of any federal or state supervising or examining authority, to, then for the purposes of this Section the combined capital and surplus of such bank or trust company may be conclusively established for the purposes hereby in its most recent report of condition so published.

**Section 4.02. Resignation of Escrow Agent.** The Escrow Agent or any successor may at any time resign by giving written notice to the Lessee and Lessor of its intention to resign and of the proposed date of resignation, which shall be a date not less than 60 days after such notice, unless an earlier resignation date and the appointment of a successor Escrow Agent shall have been or are approved by Lessee and Lessor. Upon receiving such notice of resignation, the Lessee and Lessor shall promptly appoint a successor Escrow Agent by an instrument in writing; provided however, that in the event the Lessee and Lessor fail to appoint a successor Escrow Agent within 30 days following receipt of such written notice of resignation, Lessor may appoint a successor Escrow Agent, and in the event that Lessor fail to appoint a successor Escrow Agent within 30 days following the expiration of such initial 30-day period, the resigning Escrow Agent may petition the appropriate court having jurisdiction to appoint a successor Escrow Agent. Any resignation or removal of the Escrow Agent shall become effective only upon acceptance of appointment by the successor Escrow Agent.

**Section 4.03. Appointment of Agent.** The Escrow Agent may appoint an agent acceptable to the Lessee and Lessor to exercise any of the powers, rights or remedies granted to the Escrow Agent under this Escrow Agreement, and to hold title to property or to take any other action which may be desirable or necessary.

**Section 4.04. Merger or Consolidation.** Any company into which the Escrow Agent may be merged or converted, or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which it shall be a party, or any company to which the Escrow Agent may sell or transfer all or substantially all of its corporate trust business (provided that such company shall be eligible under Section 4.02) shall be the successor to the Escrow Agent without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

**Section 4.05. Protection and Rights of the Escrow Agent.** The Escrow Agent shall be protected and shall incur no liability in acting or proceeding in good faith upon any resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, voucher, bond, requisition or other paper or document which it shall in good faith believe to be genuine and to have been passed or signed by the proper board or person or to have been prepared and furnished pursuant to any of the provisions of this Escrow Agreement, and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Escrow Agent may consult with Independent Counsel who may be counsel to Lessor or Lessee, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith.

Whenever in the administration of its duties under this Escrow Agreement, the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matters (unless other evidence in respect thereof be herein specifically prescribed), shall be deemed to be conclusively proved and established by the certificate of the Lessee Representative or the Lessor Representative and such certificate shall be full warranty to the Escrow Agent for any action taken or suffered under the provisions of this Escrow Agreement upon the faith thereof, but in its discretion the Escrow Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The recitals, statements and representations by Lessee and Lessor contained in this Agreement shall be taken and construed as made by and on the part of the Lessee and Lessor, as the case may be, and not by the Escrow Agent, and the Escrow Agent does not assume, and shall not have, any responsibility or obligation for the correctness of any thereof.

The Escrow Agent may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder, and the Escrow Agent shall not be answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Escrow Agent shall not be answerable for the exercise of any discretion or power under this Escrow Agreement or for anything whatsoever in connection with the funds and accounts established hereunder, except only for its own willful misconduct or gross negligence.

#### **ARTICLE V. ASSIGNMENTS; AMENDMENTS**

**Section 5.01. Assignment.** Except as expressly herein provided to the contrary, the rights and duties of each of the parties under this Escrow Agreement shall not be assignable to any person or entity without the written consent of all of the other parties. Notwithstanding the above, Lessor may freely assign all or any part of its interest in this Agreement and the Acquisition Fund established hereunder in connection with an assignment by Lessor of the Agreement, subject to the provisions contained therein.

**Section 5.02. Amendments.** This Escrow Agreement may be amended in writing by agreement among all of the parties.

#### **ARTICLE VI. FURTHER ASSURANCES**

**Section 6.01. Further Assurances.** Lessor and Lessee will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Escrow Agreement, and for better assuring and confirming the rights and benefits provided herein.

#### **ARTICLE VII. DEFAULT OR NON-APPROPRIATION**

##### **Section 7.01. Default.**

- (a) Lessor shall have the right to terminate this Escrow Agreement upon an Event of Default under the Agreement, or termination of the Agreement pursuant to Section 4.05 thereof, which right shall not be exercised less than 15 days after Lessor shall have given Lessee written notice of such default or termination for non-appropriation. Upon receipt of notice of termination from Lessor, Escrow Agent shall pay to Lessor, or its assignee, all moneys in the Acquisition Fund in accordance with Section 2.06.
- (b) In the event of the failure by any party hereto to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Escrow Agreement, any non-defaulting party hereto shall have all of the rights and remedies now or hereafter existing at law or in equity against the defaulting party.
- (c) No delay or omission to exercise any such right or power accruing upon any default shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

#### **ARTICLE VIII. LIMITATION OF LIABILITY**

**Section 8.01. Limited Liability of Escrow Agent.** Escrow Agent shall have no obligation or liability to any of the other parties under this Escrow Agreement for the failure or refusal of any other party to perform any covenant or agreement made by any of it hereunder or under the Agreement, but shall be responsible solely for the business-like performance of the duties expressly imposed upon Escrow Agent hereunder. The recitals of facts, covenants and agreements herein contained pertaining to Lessee and Lessor shall be taken as statement, covenants and agreements of the Lessee or Lessor (as the case may be), and Escrow Agent assumes no responsibility for the correctness of the same, or makes any representation as to the validity or sufficiency of this Escrow Agreement, or shall incur any responsibility in respect thereof, other than in connection with the duties or obligations herein imposed upon it. Escrow Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

**Section 8.02. Indemnification.** To the extent permitted by applicable law, Lessee agrees to indemnify and save Escrow Agent harmless from and against all claims, suits and actions brought against it, or to which it is made a party, and from all losses and damages, including without limitation reasonable attorney fees and court costs suffered by it as a result thereof, where such claim, suit or action arises in connection with this Escrow Agreement, the transactions described herein and in the Agreement or the Escrow Agent's employment as an Escrow Agent by Lessee and Lessor. Notwithstanding the foregoing, such indemnification shall not extend to claims, suits and actions brought against the Escrow Agent for failure to perform and carry out the duties specifically imposed upon and to be performed by it pursuant to this Escrow Agreement and claims, suits or actions arising from events solely and directly attributable to acts of Lessor. In the event the Lessee is required to indemnify Escrow Agent as herein provided, Lessee shall be subrogated to the rights of the Escrow Agent to recover such losses or damages from any other person or entity.

**Section 8.03. Discretion of Escrow Agent to File Civil Action in the Event of Dispute.** If Lessor or Lessee are in disagreement about the interpretation of this Escrow Agreement, or about the rights and obligations, or the propriety of any action contemplated by Escrow Agent hereunder, Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. Escrow Agent shall be indemnified by Lessee in accordance with Section 8.02 for all costs in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Escrow Agreement until a final judgment in such action is received.

**Section 8.04. Opinion of Counsel.** Before being required to take any action, the Escrow Agent may require (i) an opinion of Independent Counsel acceptable to the Escrow Agent, which counsel may be counsel to any of the parties hereto, and which opinion shall be made available to the other parties hereto, or (ii) a verified certificate of any party hereto, or (iii) both (i) and (ii), concerning the proposed action. Escrow Agent shall be absolutely protected in relying thereon if it does so in good faith.

**Section 8.05. Limitation of Rights to Parties.** Nothing in this Escrow Agreement, expressed or implied, is intended or shall be construed to give any person other than the Lessee, Lessor or the Escrow Agent any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the Lessee, Lessor and Escrow Agent.

#### **ARTICLE IX. MISCELLANEOUS**

**Section 9.01. Records.** The Escrow Agent shall keep complete and accurate records of all moneys received and disbursed under this Escrow Agreement, which shall be available for inspection by the Lessee, Lessor, or the agent of either of them, at any time during regular business hours.

**Section 9.02. Notices.** All written notice to be given under this Escrow Agreement shall be given by mail to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other parties in writing from time to time. Any such notice shall be deemed to have been received 72 hours after deposit in the United States mail in registered or certified form, with postage fully prepaid.

**Section 9.03. Governing Laws.** This Escrow Agreement shall be construed and governed in accordance with the laws of the State of Kansas.

**Section 9.04. Partial Invalidity.** Any provision of this Escrow Agreement found to be prohibited by laws shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Escrow Agreement.

Section 9.05. Binding Effect; Successors. This Escrow Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Escrow Agreement any party hereto is named or referred to, such references shall be deemed to include permitted successors or assigns thereof, and all covenants and agreements contained in this Escrow Agreement by or on behalf of any party hereto shall bind and inure to the benefit of permitted successors and assigns thereof whether or not so expressed.

Section 9.06. Execution in Counterparts. This Escrow Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 9.07. Headings. The headings or titles of the several Articles and Sections hereof, and any tables of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Escrow Agreement. All references herein to "Articles", "Sections", and other subdivisions are to the corresponding Articles, Sections, or subdivisions of this Escrow Agreement; and the words "herein", "hereof", "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date and year first above written.

**ESCROW AGENT:**

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

**LESSOR:**

Community First National Bank  
215 S. Seth Child Road  
Manhattan, KS 66502

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

**LESSEE:**

North County Fire Protection District  
330 S. Main Avenue  
Fallbrook, CA92028

\_\_\_\_\_  
Kenneth Munson, President

**EXHIBIT A  
PAYMENT REQUEST FORM**



Community First National Bank, Escrow Agent under an Escrow Agreement dated as of 7/6/2018, by and among the said Escrow Agent, Community First National Bank (Lessor), and the North County Fire Protection District, (Lessee) is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporation designated below as payee, the amount set forth opposite each such person's firm's or corporation's name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment described on the attached page(s) designated opposite such Payee's name and account.

<u>Payee</u>	<u>Equipment</u>	<u>Amount</u>

**VOID**

## TO BE UTILIZED AS A SIGNATURE CARD ONLY

By executing this Payment Request Form the Lessee hereby represents that the Payee or Payees listed above who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested above by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees.

**Partial Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a request for a partial release of funds from the Escrow Account to pay for a portion of the Equipment: (1) Invoice from the Vendor, (2) copy of the agreement between Lessee and Vendor (if requested by the Lessor or Escrow Agent), (3) front and back copy of the original MSO/Title (if payment from Escrow Account is for a chassis) listing Community First National Bank and/or its assigns as the first lien holder. By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment. By executing this Payment Request Form Lessee agrees that Lessee is the title owner to this portion of the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to this portion of the Equipment and keep the Lease in full force and effect.

**Final Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a final release of funds from the Escrow Account: (1) Final Vendor Invoice, (2) Signed Acceptance Certificate, (3) Insurance Certificate, (4) front and back copy of the original MSO/Title listing Community First National Bank and/or its assigns as first lien holder (if not already received). By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto. By executing this Payment Request Form Lessee certifies that Lessee is the title owner to the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to the Equipment and keep the Lease in full force and effect.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Signature

*Signature of additional authorized individual (optional)*

\_\_\_\_\_  
Name and Title

# **TAX COMPLIANCE AGREEMENT AND NO ARBITRAGE CERTIFICATE**

This Tax Compliance Agreement and No Arbitrage Certificate is issued in connection with that certain Schedule of Equipment No. 01, dated 7/6/2018 to Master Equipment Lease Purchase Agreement dated as 7/6/2018 by and between Community First National Bank, ("Lessor") and North County Fire Protection District ("Lessee").

## **1. In General.**

1.1. This Certificate is executed for the purpose of establishing the reasonable expectations of Lessee as to future events regarding the financing of certain equipment by Lessee as described in the Schedule of Equipment No. 01, dated 7/6/2018 to Master Equipment Lease Purchase Agreement dated as of 7/6/2018 (the "Lease") between Lessor and Lessee and all related documents executed pursuant thereto and contemporaneously herewith with respect to the financing of the acquisition of Two (2) New Pierce Type One Pierce Pumpers with Equipment of equipment (the "Equipment") by Lessor for Lessee (the Lease and such other documents are hereinafter collectively referred to as the "Financing Documents").

1.2. The individual executing this Certificate on behalf of Lessee is an officer of Lessee delegated with the responsibility of reviewing and executing the Financing Documents.

1.3. To the best of the undersigned's knowledge, information and belief, the expectations contained in this Certificate are reasonable.

1.4. Lessee has not been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer whose certifications as to arbitrage may not be relied upon.

1.5. The rental payments due under the Financing Documents will be made with monies retained in Lessee's general operating fund (or an account or sub account therein). No sinking, debt service, reserve or similar fund or account will be maintained for the payment of the rental payments due under the Financing Documents or pledged as security therefor.

1.6. If any other governmental obligations were or are being issued by or on behalf of Lessee within fifteen (15) days of the date of issuance of the Financing Documents, such obligations either (i) were not or are not being issued or sold pursuant to a common plan of financing with, or (ii) will not be paid out of substantially the same source of funds as, the financing pursuant to the Financing Documents.

## **2. Purpose of the Financing Documents.**

2.1. The Financing Documents are being entered into for the purpose of providing funds for financing the cost of acquiring, equipping and installing the Equipment which is essential to the governmental functions of Lessee, which Equipment is described in the Equipment Description executed and delivered by Lessee pursuant to the Financing Documents. The principal amount represented by the Financing Documents, or \$1,464,657.12 will be deposited in escrow by Lessor at closing and held by Community First National Bank, as Escrow Agent (the "Escrow Agent") pending acquisition of the Equipment under the terms of that certain Escrow Agreement dated as of 7/6/2018 (the "Escrow Agreement"), by and among Lessor, Lessee and Escrow Agent.

2.2. No portion of the principal amount represented by the Financing Documents will be used as a substitute for other funds which were otherwise to be used as a source of financing for the Equipment, or will be used, directly or indirectly, to replace funds used by Lessee to acquire investments which produce a yield materially higher than the yield to Lessor under the Financing Documents.

2.3. Lessee does not expect to sell or otherwise dispose of the Equipment, in whole or in part, at a date which is earlier than the final rental payment due under the Financing Documents.

## **3. Source and Disbursement of Funds.**

3.1. The principal amount represented by the Financing Documents does not exceed the amount necessary for the governmental purpose for which the Financing Documents were entered into. Such funds are expected to be needed and fully expended for payment of the costs of acquiring, equipping and installing the items of Equipment.

3.2. It is contemplated that the entire amount deposited in escrow will be used to pay the acquisition cost of Equipment to the vendors or manufacturers thereof, provided that a portion of the principal amount may be paid to Lessee within such period as reimbursement for Acquisition Costs already made by it so long as the conditions set forth in Section 3.3 below are satisfied.

3.3. Lessee shall not request that it be reimbursed for Equipment acquisition cost payments already made by it unless the following conditions have been satisfied:

- (a) Lessee made a declaration of its reasonable intention to reimburse the acquisition cost payment sought to be reimbursed with the proceeds of a borrowing not later than sixty (60) days after the date on which it made the payment, which declaration satisfies the "Official Intent Requirement" set forth in Treas. Reg. Sec. 1.150-2;
- (b) The reimbursement being requested will be made by written allocation before the later of eighteen (18) months after the acquisition cost payment was made or eighteen (18) months after the items of Equipment to which such payment relates were placed in service;
- (c) The entire payment with respect to which reimbursement is being sought is a capital expenditure, being a cost of type properly chargeable to a capital account under general federal income tax principles; and
- (d) Lessee will use any reimbursement payment for general operating expenses and not in a manner which could be construed as an artifice or device under Treas. Reg. Sec. 1.148-10 by, virtue of, among other things, use to refund, or to create or increase a sinking, reserve or replacement fund with respect to, any other obligations issued by it.

## **4. Temporary Period.**

4.1. Lessee expects, within six months from the date of issuance of the Financing Documents, (a) to have had disbursed from escrow an amount in excess of the lesser 2 1/2% of the amount deposited by Lessor in escrow or \$100,000, or (b) to enter into binding obligations with third parties obligating Lessee to spend such amount.

4.2. The ordering and acceptance of the items of Equipment will proceed with due diligence to the date of final acceptance of the Equipment.

4.3. The items of Equipment being acquired by Lessee will be delivered at various times. At least 15% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition price of items of Equipment within six months from the date of issuance of the Financing Documents; at least 60% of the sum of the amount deposited in escrow and the reasonably anticipated interest earnings thereon will be used to pay the acquisition cost of items of Equipment within 12 months from the date of issuance of the Financing Documents; and 100% of the amount deposited in escrow and interest earnings thereon will be used to pay the acquisition cost of items of Equipment prior to 18 months from the date of issuance of the Financing Documents.

4.4. The total acquisition cost of the Equipment is not required to be paid to the vendors or manufacturers thereof until the Equipment has been accepted by Lessee.

## **5. Escrow Account.**

5.1. The Financing Documents provide that the monies deposited in escrow shall be invested until payments to the vendor(s) or manufacturer(s) of the Equipment are due. Lessee will ensure that such investment will not result in Lessee's obligations under the Financing Documents being treated as an "arbitrage bond" or a "federally guaranteed bond" within the meaning of Section 148(a) or Section 149(b) of the Internal Revenue Code of 1986, as amended (the "Code"), respectively. Any monies which are earned from the investment of these funds shall be labeled as interest earned. All such monies will be disbursed on or promptly after the date that Lessee accepts the equipment.



**6. Exempt Use.**

6.1. No part of the proceeds of the Financing Documents or the Equipment will be used in any "private business use" within the meaning of Section 141(b)(6) of the Internal Revenue Code of 1986, as amended.

6.2. No part of the proceeds of the Financing Documents will be used, directly or indirectly, to make or finance any loans to non-governmental entities or to any governmental agencies other than Lessee.

**7. No Federal Guarantee.**

7.1. Payment of the principal or interest due under the Financing Documents is not directly or indirectly guaranteed, in whole or in part, by the United States or an agency or instrumentality thereof.

7.2. No portion of the proceeds under the Financing Documents shall be (i) used in making loans, the payment of principal or interest of which are to be guaranteed, in whole or in part, by the United States or any agency or instrumentality thereof, or (ii) invested, directly or indirectly, in federally insured deposits or accounts if such investment would cause the financing under the Financing Documents to be federally guaranteed within the meaning of Section 149(b) of the Code.

**8. Miscellaneous.**

8.1. Lessee agrees to comply with the rebate requirement set forth in Section 148(f) of the Code in the event that for any reason it is applicable to the financing pursuant to Financing Documents.

8.2. Lessee shall keep a complete and accurate record of all owners or assignees of the Financing Documents in form and substance satisfactory to comply with Section 149(a) of the Code unless Lessor or its assignee agrees to act as Lessee's agent for such purpose.

8.3. Lessee shall maintain complete and accurate records establishing the expenditure of the proceeds of the Financing Documents and interest earnings thereon for a period of five years after payment in full under the Financing Documents.

IN WITNESS WHEREOF, this Tax Compliance Agreement and No Arbitrage Certificate has been executed on behalf of Lessee as of the date set forth below.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

**EXHIBIT A  
PAYMENT REQUEST FORM**

Community First National Bank, Escrow Agent under an Escrow Agreement dated as of 7/6/2018, by and among the said Escrow Agent, Community First National Bank (Lessor), and the North County Fire Protection District, (Lessee) is hereby requested to pay, from the Equipment Acquisition Fund held under said Escrow Agreement, to the persons, firms or corporation designated below as payee, the amount set forth opposite each such person's firm's or corporation's name, in payment of the Acquisition Costs (as defined in said Escrow Agreement) of the Equipment described on the attached page(s) designated opposite such Payee's name and account.

<u>Payee</u>	<u>Amount</u>	<u>Equipment</u>

By executing this Payment Request Form the Lessee hereby represents that the Payee or Payees listed above who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Lessee and that the amounts requested above by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees.

**Partial Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a request for a partial release of funds from the Escrow Account to pay for a portion of the Equipment: (1) Invoice from the Vendor, (2) copy of the agreement between Lessee and Vendor (if requested by the Lessor or Escrow Agent), (3) front and back copy of the original MSO/Title (if payment from Escrow Account is for a chassis) listing Community First National Bank and/or its assigns as the first lien holder. By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted this portion of the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto in a proportionate amount of the total Rental Payment. By executing this Payment Request Form Lessee agrees that Lessee is the title owner to this portion of the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to this portion of the Equipment and keep the Lease in full force and effect.

**Final Disbursement.** The undersigned certifies that the following documents are attached to this Payment Request Form when there is a final release of funds from the Escrow Account: (1) Final Vendor Invoice, (2) Signed Acceptance Certificate, (3) Insurance Certificate, (4) front and back copy of the original MSO/Title listing Community First National Bank and/or its assigns as first lien holder (if not already received). By executing this Payment Request Form and attaching the documents as required above, the Lessee shall be deemed to have accepted the Equipment for all purposes under the Lease, including, without limitation, the obligation of Lessee to make the Rental Payments with respect thereto. By executing this Payment Request Form Lessee certifies that Lessee is the title owner to the Equipment and that in the event that any third party makes a claim to such title that Lessee will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to the Equipment and keep the Lease in full force and effect.

**LESSEE:**

North County Fire Protection District

\_\_\_\_\_  
Kenneth Munson, President

\_\_\_\_\_  
Date

\*Keep this form for future disbursement requests.

# Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

## Part I Reporting Authority

If Amended Return, check here ☐

1 Issuer's name <b>North County Fire Protection District</b>		2 Issuer's employer identification number (EIN) <b>95-6005429</b>
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) <b>330 S. Main Avenue</b>	Room/suite	5 Report number (For IRS Use Only) <b>3</b>
6 City, town, or post office, state, and ZIP code <b>Fallbrook, CA 92028</b>		7 Date of issue <b>7/6/18</b>
8 Name of issue <b>Master Equipment Lease Purchase Agreement</b>		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a

## Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education . . . . .	11		
12 Health and hospital . . . . .	12		
13 Transportation . . . . .	13		
14 Public safety . . . . .	14	<b>1,464,657</b>	<b>12</b>
15 Environment (including sewage bonds) . . . . .	15		
16 Housing . . . . .	16		
17 Utilities . . . . .	17		
18 Other. Describe ►	18		
19 If obligations are TANs or RANs, check only box 19a . . . . .			
If obligations are BANs, check only box 19b . . . . .			
20 If obligations are in the form of a lease or installment sale, check box . . . . .			

## Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	<b>5/1/2034</b>	<b>\$ 1,464,657.12</b>	<b>\$ N/A</b>	<b>15 years</b>	<b>3.944 %</b>

## Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest . . . . .	22		
23 Issue price of entire issue (enter amount from line 21, column (b)) . . . . .	23		
24 Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24		
25 Proceeds used for credit enhancement . . . . .	25		
26 Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26		
27 Proceeds used to currently refund prior issues . . . . .	27		
28 Proceeds used to advance refund prior issues . . . . .	28		
29 Total (add lines 24 through 28) . . . . .	29		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .	30		

## Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded . . . . .	►	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded . . . . .	►	_____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) . . . . .	►	_____
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		_____

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)

**Part VI Miscellaneous**

<b>35</b>	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	<b>35</b>		
<b>36a</b>	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . .	<b>36a</b>		
<b>b</b>	Enter the final maturity date of the GIC ▶ _____			
<b>c</b>	Enter the name of the GIC provider ▶ _____			
<b>37</b>	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	<b>37</b>		
<b>38a</b>	If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information:			
<b>b</b>	Enter the date of the master pool obligation ▶ _____			
<b>c</b>	Enter the EIN of the issuer of the master pool obligation ▶ _____			
<b>d</b>	Enter the name of the issuer of the master pool obligation ▶ _____			
<b>39</b>	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . .			<input checked="" type="checkbox"/>
<b>40</b>	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . .			<input type="checkbox"/>
<b>41a</b>	If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information:			
<b>b</b>	Name of hedge provider ▶ _____			
<b>c</b>	Type of hedge ▶ _____			
<b>d</b>	Term of hedge ▶ _____			
<b>42</b>	If the issuer has superintegrated the hedge, check box . . . . .			<input type="checkbox"/>
<b>43</b>	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . .			<input type="checkbox"/>
<b>44</b>	If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . .			<input type="checkbox"/>
<b>45a</b>	If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement . . . . . ▶ _____			
<b>b</b>	Enter the date the official intent was adopted ▶ _____			

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	Signature of issuer's authorized representative <div style="border-bottom: 1px solid black; width: 150px; display: inline-block;"></div>		Date <div style="border-bottom: 1px solid black; width: 100px; display: inline-block;"></div>		Kenneth Munson, President Type or print name and title
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			



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**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
ADMINISTRATION**

**TO:** BOARD OF DIRECTORS  
**FROM:** DEPUTY CHIEF MAROVICH AND CHIEF ABBOTT  
**DATE:** JULY 24, 2018  
**SUBJECT:** ADOPTION OF RESOLUTION 2018-16 UPDATE PROGRAM FOR  
RESPONSE TO HIGHWAY INCIDENTS

## **ACTION AGENDA**

### **RECOMMENDATION:**

That the Board of Directors adopt Resolution 2018-16, updating the Cost Recovery Program for response to highway incidents.

### **BACKGROUND:**

The California Vehicle Code (CVC 17300-17303) allows fire agencies to recover costs related to response for incidents on the public highway. In addition, most auto insurance policies provide coverage to pay for fire response (separate from the ambulance fee) to traffic collisions and vehicle fires. In April of 2009, North County Fire Protection District instituted a Cost Recovery Program, which has remained unchanged since that time.

As with ambulance billing, there is some benefit to be gained by developing expertise in billing for these types of calls. A small number of firms have developed in recent years that specialize in assisting fire departments with these Cost Recovery Programs. The District has had success with the firm Fire Recovery USA that has been active in our Program.

Our cost recover vendor generates the bill, deals with the insurance company, receives payment and issues a check to us. We monitor and report our progress monthly to the Board. Typically, we will not get paid at all if there is no insurance and we may get paid less than the total amount billed if it is a major accident that reaches the insurance ceiling/cap on the policy. A bill is never sent directly to the person involved in the traffic collision or other incident. The Program has successfully allowed the District to recover operational costs. Since the adoption of our Program in 2009, the District has not re-examined or increased the Cost Recovery rates, although we continue to collect those amounts when appropriate.

**Adoption of Resolution 2018-16**

**July 24, 2018**

**Page 2 of 2**

**DISCUSSION:**

Our Cost Recovery vendor has recommended the District adjust our cost recovery rates to reflect actual costs of our services and responses. Last year when presented to the Board, there was a request for further research to determine whether this increase recovery was sufficient. After speaking with Fire Recovery USA, it was determined their suggestion was based on their research and review of other agencies recovery amounts and the Consumer Price Index. Thereafter, they have suggested an increase rate of twelve percent. The individual amounts are outline in the Resolution.

The District has not adjusted its charges since the inception of the Program in 2009. To keep charges current, Staff recommends addition of an automatic inflator to this Resolution, similar to that adopted in the ambulance resolution last year. Section 4 of the Resolution would allow the District to automatic adjust the charges based on the CPI-Urban index for San Diego (CPI-U, San Diego), as published the preceding January by the Bureau of Labor Statistics. This would allow the District to recover costs that more accurately reflect those being incurred by the District.

**FISCAL ANALYSIS:**

It is anticipated that this amount would increase the District's cost recovery in the 2019-2019 FY from \$70,000 to \$78,400.00.

**SUMMARY:**

Staff recommends that the Board adopt Resolution 2018-16 to adjust the Cost Recovery Program consistent with inflation rates as recommended.



# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-16

### A RESOLUTION MODIFYING THE ESTABLISHED PROGRAM TO RECOVER COSTS FOR RESPONSE BY THE NORTH COUNTY FIRE PROTECTION DISTRICT TO CERTAIN INCIDENTS

**WHEREAS**, the North County Fire Protection District's response activity to incidents on the highways continues to increase each year; Environmental Protection requirements involving equipment and training and Homeland Security regulations involving equipment and training, create additional demands on all operational aspects of the North County Fire Protection District; and

**WHEREAS**, the North County Fire Protection District has investigated different methods to maintain a high level of quality of emergency service capability throughout times of constantly increasing service demands and decreasing revenue while maintaining an effective response by the North County Fire Protection District; and

**WHEREAS**, cost effective, specific response costs to users decreases the costs of incidents to insurance carriers through timely and effective management of emergency situations, saving lives and reducing property damage; and

**WHEREAS**, the California Vehicle Code (CVC 17300-17303) allows fire departments to recover costs incurred responding to motor vehicle accidents; including response equipment and manpower to secure, cleanup and/or dispose of any hazardous waste; and

**WHEREAS**, the Board of Directors of the North County Fire Protection District desires to implement a fair and equitable procedure by which to recover said MVA costs and shall establish a billing system in accordance with applicable laws, regulations and guidelines.

**NOW, THEREFORE, LET IT BE RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT:**

**SECTION 1:** The North County Fire Protection District has initiated a Cost Recovery Program for the delivery of Fire and Rescue Services, personnel, supplies and equipment to the scene of motor vehicle accidents and other incidents on the highways. The rate of user fees shall be that which is usual, customary and reasonable (UCR) as shown in "EXHIBIT A," which may include any services, personnel, supplies and equipment and with baselines established by addendum to this document. The Cost Recovery Program will apply to all responses to motor vehicle incidents occurring within the District.

**SECTION 2:** The cost recovery fee shall be filed with the responsible party's motor vehicle insurance carrier, representing the cost of the claim to damages of the vehicles, property and/or injuries. In the event services are required relating to utilities causing safety problems to highway areas and if the area is deemed unsafe by emergency responders, the same billing process shall apply to said utility, whose equipment related problems cause an emergency services response. The claim costs shall be filed with the insurance carrier of the owner of a vehicle, owner of property or responsible parties.





# NORTH COUNTY FIRE PROTECTION DISTRICT

## RESOLUTION 2018-16

### A RESOLUTION MODIFYING THE ESTABLISHED PROGRAM TO RECOVER COSTS FOR RESPONSE BY THE NORTH COUNTY FIRE PROTECTION DISTRICT TO CERTAIN INCIDENTS

**SECTION 3:** The North County Fire Protection District Board of Directors authorizes the Fire Chief/CEO to take the necessary steps to continue this Cost Recovery Program, including development and amendment of the necessary policies and procedures and continuing/entering into a contract(s) with billing services to perform the actual cost recovery activity.

**SECTION 4:** The modification of this Cost Recovery Program shall take effect immediately and Resolution 2018-16 supersedes Resolution 2009-05.

**PASSED, ADOPTED AND SIGNED** by the Board of Directors, North County Fire Protection District, County of San Diego, State of California, on this **24<sup>th</sup> day of July, 2018**, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**RECUSED:**

\_\_\_\_\_  
Kenneth Munson, Board President

**ATTEST:**

**I HEREBY CERTIFY** that the foregoing is a true and correct copy of the resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District thereof held on the **24<sup>th</sup> day of July, 2018**, and that the same now appears on record in my office.

**IN WITNESS THEREOF**, I hereunto set my hand and affixed by official seal this **24<sup>th</sup> day of July, 2018**.

\_\_\_\_\_  
Loren A. Stephen-Porter, Board Secretary

Official Seal

# NORTH COUNTY FIRE PROTECTION DISTRICT



## RESOLUTION 2018-16

### A RESOLUTION MODIFYING THE ESTABLISHED PROGRAM TO RECOVER COSTS FOR RESPONSE BY THE NORTH COUNTY FIRE PROTECTION DISTRICT TO CERTAIN INCIDENTS

#### **"EXHIBIT A"**

#### **MOTOR VEHICLE ACCIDENTS**

**1. LEVEL 1 - \$487.00:**

This includes scene safety and investigation (including traffic control, patient contact and hazard control). This will be the minimum billing level. This occurs almost every time North County Fire Protection District responds to an accident.

**2. LEVEL 2 - \$554.00:**

This includes Level 1 Services as well as clean up and materials (sorbents used, hazardous clean up and disposal). This applies if North County Fire Protection District has to clean-up any gasoline or other automotive fluids that are spilled as a result of the accident.

**3. LEVEL 3 – CAR FIRE - \$678.00:**

This includes Scene Safety, Fire Suppression, Breathing Air, Rescue Tools, Hand Tools, Hose, Tip Use, Foam, Structure Protection clean-up of gasoline or other automotive fluids that are spilled as a result of the accident.

**4. LEVEL 4 - \$2016.00:**

This includes Level 1 & 2 Services as well as Extrication (heavy rescue tools, ropes, airbags, cribbing etc.). These charges will apply if North County Fire Protection District has to free/remove anyone from the vehicle(s) using any equipment. This does not apply if the patient is simply unconscious and North County Fire Protection District is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

**5. LEVEL 5 - \$2352.00:**

This includes Levels 1, 2, & 3 Services as well as Air Care (multi-engine company response, mutual aid helicopter). This change will apply any time a helicopter is utilized to transport the patient(s).

# NORTH COUNTY FIRE PROTECTION DISTRICT



## RESOLUTION 2018-16

### A RESOLUTION MODIFYING THE ESTABLISHED PROGRAM TO RECOVER COSTS FOR RESPONSE BY THE NORTH COUNTY FIRE PROTECTION DISTRICT TO CERTAIN INCIDENTS

#### **"EXHIBIT A"**

#### **HAZ-MAT**

##### **1. LEVEL 1 - \$784.00:**

- 1.1. **Basic Response:** Billing will include engine response, first response team, perimeter establishment, evacuations, first responder set-up and command.

##### **2. Level 2 - \$2,800.00:**

- 2.1. **INTERMEDIATE RESPONSE:** Billing will include engine response, first response team, Haz-Mat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit dawning, breathing air and detection equipment. Set-up and removal of DECON center and wash down.

##### **3. LEVEL 3 – \$6,608.00 PLUS DISPOSAL FEES (See Below):**

- 3.1. **ADVANCED RESPONSE:** Billing will include engine response, first response team, Haz-Mat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit dawning, breathing air and detection equipment and robot deployment. Set-up and removal of DECON center and wash down. The detection, recovery and identification of materials, disposal and environment clean-up. This includes above in addition to any disposal fees of material and contaminated equipment and material used at scene. This includes three (3) hours of on scene time; **each additional hour @ \$300.00 per Haz-Mat team.**

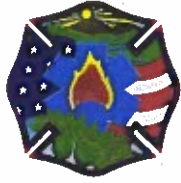
#### **PIPELINE BREAKAGE / REPAIRS**

*(Includes, but not limited to: Gas, Sewer, Septic to Sewer and Water Pipelines)*

##### **1. LEVEL 1 - \$448.00:**

- 1.1. **BASIC RESPONSE:** Billing will include engine response, first response team, perimeter establishment, evacuations, first responder set-up and command, pipeline inspection without damage or breakage.

# NORTH COUNTY FIRE PROTECTION DISTRICT



## RESOLUTION 2018-16

### A RESOLUTION MODIFYING THE ESTABLISHED PROGRAM TO RECOVER COSTS FOR RESPONSE BY THE NORTH COUNTY FIRE PROTECTION DISTRICT TO CERTAIN INCIDENTS

#### **"EXHIBIT A"**

#### **2. LEVEL 2 - \$1,120.00:**

- 2.1. **INTERMEDIATE RESPONSE:** Billing will include engine response, first response team appropriate equipment, perimeter establishment, evacuations, first responder set-up and command. This may include Haz-Mat team, Level A or B suit donning, breathing air and detection equipment. Supervise and/or assist pipeline repair.

#### **3. LEVEL 3 – ITEMIZED BILLING CHARGES:**

- 3.1. **ADVANCED RESPONSE:** Billing will include engine response, first response team appropriate equipment, perimeter establishment, evacuations, first responder set-up and command. This may include Haz-Mat team, Level A or B suit donning, breathing air and detection equipment. Supervise and/or assist pipeline repair of intermediate to major pipeline damage. May include set-up and removal of DECON center and wash down. The detection, recovery and identification of material, disposal and environment clean-up.

#### **4. ANNUAL ADJUSTMENT OF CHARGES:**

- 4.1. The charges identified in this Resolution will be increased annually on July 1<sup>st</sup> in an amount equal to the CPI-Urban index for San Diego (CPI-U, San Diego) as published the preceding January by the Bureau of Labor Statistics; and then rounded up to the nearest ten dollar (\$10) increment. This adjustment is not to exceed the regional average of increase.





2271 Lava Ridge Court, Suite 120, Roseville, CA 95661-2065  
email: info@firerecoveryusa.com office: 1.888.640.7222

JUL - 6 2017

ADMINISTRATION / BOARD

July 1, 2017

Attn: Fire Chief,

Every year the cost of operating a fire department increases, as does our costs to operate our business and provide services to you. In the process of performing our annual account reviews we noticed your department has not increased rates for your services and responses since becoming a customer of Fire Recovery.

We consider ourselves a business partner, not just a vendor providing services. In an effort to continue our high service standards and to keep our rates as competitive as possible, we'd like you to consider adjusting your rates in line with the historical Consumer Price Index. Although adjusting your rates is not required, we want you to maximize your cost recovery program and make sure you're recouping the actual cost of your services and responses. Since 2010 the overall rate of inflation is approximately 12%. We would recommend increasing your rates similar to this amount.

We understand changing your rates will take an amendment to your existing Ordinance or Resolution and we're happy to help you through that process.

Please feel free to call us at **800.640.7222 Ext. 1** or email us at **Sales@firerecoveryusa.com** and we can assist you.

Thank you,

A handwritten signature in blue ink, appearing to read 'J. Powell'.

**Justin L. Powell**  
VP – Director of Sales  
Cell: 916.297.0205  
J.Powell@firerecoveryusa.com



**NORTH COUNTY FIRE  
PROTECTION DISTRICT**

**FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**DATE:** JULY 24, 2018  
**SUBJECT:** DISCUSSION AGENDA

There are no Discussion Agenda Items for the July 24, 2018, Board Meeting.

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**ROBERT H. JAMES**

ATTORNEY AT LAW

ROBERT H. JAMES, Esq.  
roberthjameslaw@gmail.com

3668 KATIE LENDRE DRIVE  
FALLBROOK, CALIFORNIA 92028

TELEPHONE  
(760) 723-9018

July 1, 2018

**Board of Directors  
North County Fire Protection District**

Re: General Counsel Board Report for July 1, 2018

**New Legislation Effective 2018**

**SB 450 – Bonds: public notice**

Existing law defines a “public body” to mean, among other entities, a county, city, or city and county. This bill, prior to authorization of the issuance of certain bonds, requires the governing body of a public body to obtain and disclose specified information regarding the bonds in a meeting open to the public. The bill requires the information to be obtained as a good faith estimate from an underwriter, financial advisor, or private lender or from a third party borrower, if the public body issuing bonds is a conduit financing provided. *Government Code* Section 5852.1, relating to bonds.

**AB 551 – Political Reform Act of 1974: post-employment restrictions extended**

This measure prohibits former local government officials who served as independent contractors from appearing before or communicating with their former agency for compensation. *Government Code* Section 87406.3, relating to the Political Reform Act of 19874.

**AB 1194 – Local bond measures: tax rate statement**

This bill requires that the fiscal statement that is to be included in the sample ballot for local bond measures include the best estimate from official sources of the average annual tax rate that are required to be levied to fund the bond issue over the entire duration of the bond debt service. It also requires the estimate to identify the final fiscal year in which the tax is anticipated to be collected. *Elections Code* Section 9401, relating to elections.

**SB 568 – Primary elections: election date**

This measure, beginning in 2019, changes the date of the statewide direct primary and the presidential primary to the first Tuesday after the first Monday in March and continues the requirement that those elections be consolidated. *Elections Code* Sections 316, 340, 1000, 1001, 1201 and 1202.

**ROBERT H. JAMES**

ATTORNEY AT LAW

ROBERT H. JAMES, Esq.

roberthjameslaw@gmail.com

3668 KATIE LENDRE DRIVE

FALLBROOK, CALIFORNIA 92028

TELEPHONE

(760) 723-9018

**AB 765 – Local initiative measures: submission to the voters**

This bill requires that the election for a county, municipal or district initiative measure that qualifies for the ballot be on the next statewide or regular election, as applicable, unless the governing body calls a special election. **Elections Code** Sections 1405, 9111, 9116, 9118, 9212, 9214, 9215, 9310 and 9311, relating to elections.

ROBERT H. JAMES, Attorney at Law



Robert H. James, General Counsel for the  
North County Fire Protection District

RHJ/klm

cc: Chief Steve Abbott





**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**DATE:** JULY 24, 2018  
**SUBJECT:** WRITTEN CORRESPONDENCE

● **WRITTEN COMMUNICATION:**

- July 6, 2018 Letter from Nigro & Nigro re: 2018 Audit

● **BOARD RECOGNITION PROGRAM:**

- **JULY 9, 2018 – EMAIL RE: RESCUE OFF-DUTY:**

Engineer Pete August

- **JUNE 6, 2018 THANK YOU NOTE:**

MA 111:

P Eugenia Hoch  
EMT Nick Tusa

- **UNDATED THANK YOU CARD:**

Engine 111:  
Captain Garing  
Engineer Craven  
FF/PM Debrauwere

MA 111:  
FF/PM Lian  
EMT Pena



July 6, 2018

To the Board of Directors  
North County Fire Protection District

We are engaged to audit the financial statements of North County Fire Protection District for the year ended June 30, 2018. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter dated May 4, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of North County Fire Protection District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of North County Fire Protection District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the North County Fire Protection District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

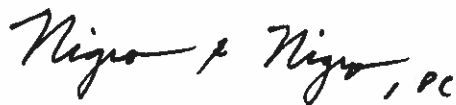
Jeff Nigro, CPA, CFE | Elizabeth Nigro, CPA | Kevin Brejnak, CPA, CFE | CJ Gaunder Singh, CPA  
Peter Glenn, CPA | Michael Klein, CPA, CMA, EA

MURRIETA OFFICE 25220 Hancock Avenue, Suite 400, Murrieta, CA 92562 • P: (951) 698-8783 • F: (951) 699-1064  
OAKLAND OFFICE 333 Hegenberger Road, Suite 388, Oakland, CA 94621 • P: (844) 557-3111 • F: (844) 557-3444

We expect to begin our audit approximately August 29, 2018 and issue our report no later than October 31, 2018. Jeff Nigro is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management North County Fire Protection District and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nigro & Nigro, PC". The signature is written in a cursive, flowing style.

Nigro & Nigro, PC

## **Loren Stephen-Porter**

---

**From:** Greg Wilson  
**Sent:** Monday, July 9, 2018 9:46 AM  
**To:** Stephen Abbott; Loren Stephen-Porter  
**Cc:** Fred Schoenheit  
**Subject:** Pete August

Chief Abbott,

Thursday afternoon (7/5) I received a phone call from Captain Nate Pearson with the Carlsbad FD. Nate is serving as the manager for Carlsbad's Beach Lifeguard program.

That afternoon while on vacation with his family at Carlsbad by the Sea, Pete August was on the beach and witnessed a middle age man in the ocean collapse in waist to chest deep water. Pete reacted immediately by entering the surf and pulling the man from the water. Carlsbad lifeguards arrived on scene and Pete continued to assist with patient care and stabilization. It's presumed that the man experienced a seizure.

While a seizure on terra firma is typically not a life threatening event, a seizure in the ocean is another matter entirely. In any case, Pete's actions were vital to a positive outcome for this individual. Captain Pearson wanted to recognize Pete for his efforts but in typical firefighter fashion Pete dismissed its significance.

Pete August exemplifies the character of the members of NCF and I believe he should be recognized for his actions even though he may feel its not necessary.

Greg Wilson  
Battalion Chief  
North County Fire Protection District  
330 South Main Ave  
Fallbrook, CA 92028  
760-845-2886

From the Desk of June 6, 2018

Dear Chief Abbott,

It is with great relief I can write this note. While this is their job - for me - it was my life.

Your cracker-jack duo, Eugenia Hoch and Nick Pusa, took exemplary care of me during the hand-off between the Graybill staff in Fallbrook transporting me to the Palomar E.R. in Escondido.

Last Friday, June 1, Eugenia and Nick treated me with kid gloves.

As a token of my appreciation please forward a Starbucks card to each of them.



Ryan Carey  
Chris Craven  
Doug De Brauwere  
Ben Han  
Chris Rena

[illegible]

## CalPERS investment returns exceed 8 percent for 2018

*By CalPERS*

For the second year in a row, California's main public pension fund beat its investment return forecast.

The California Public Employees' Retirement System reported Thursday that it had an 8.6 percent return on investments for the fiscal year that ended June 30 — exceeding its expectation of a 7 percent return.

"While we've seen some expected volatility in the markets, our diversified, global portfolio has allowed us to exceed our expected rate of return of 7 percent," Ted Eliopolous, CalPERS' chief investment officer, said in a video. "While we're pleased with the returns, we're always focused on the long-term bigger picture."

Last year's strong returns were driven by solid performance in the stock market, as well as a 16.1 percent gain on private equity investments and 8 percent on real assets, such as real estate and infrastructure.

CalPERS, which controls about \$357 billion in assets, now has about 71 percent of the funds it would need if it had to pay all of the benefits it owes to retirees and public workers — up 3 percent from last year.

Dave Low, executive director of California School Employees Association, one of the state's largest public employee unions, praised the fund's performance.

"While it's important not to focus on one-year returns, these returns continue the long-term trend of CalPERS performing above or near its long-term discount rates and once again defying the sky-is-falling predictions of system critics," Low said in a statement.

## Evacuations lifted in Camp Pendleton fires

CAMP PENDLETON — Three separate brush fires at Camp Pendleton have scorched more than 1,600 acres, but Sunday officials allowed residents to return to their homes.

One fire, referred to as the Vandergrift Incident, broke out around 11:30 a.m. Friday in the Mainside area of the base. It had burned 560 acres and was 70 percent contained late Saturday, according to Camp Pendleton officials.

The second fire, known as the Horno Incident, was reported as 50 acres at about 7 p.m. Friday but had quickly spread to more than 1,000 acres Saturday.

It was 30 percent contained at 1,200 acres Saturday evening, base officials said.

Basilone Road was shut down from 43 Area in the center of the base to the 52 Area to the north as a result of that fire.

And a third incident, burning in impact area Range 409, had blackened 40 acres Saturday. Firefighters were keeping an eye on the blaze, which didn't pose a threat to structures or base personnel.

Smoke from the fires was cloaking parts of southern Orange County on Saturday, prompting the Orange County fire officials to announce that the fires posed no threat to San Clemente.

Evacuations had been ordered for Lake O'Neill Recreational Park, the Naval Criminal Investigative Service building, the O'Neill Heights housing community, DeLuz Family Housing and DeLuz Child Development Center on Friday, and evacuees were directed to the Paige Field House. Around 750 homes had been evacuated around by 3 p.m. Friday.

By 10 p.m. Friday, Camp Pendleton tweeted that three specific areas — O'Neill Heights housing, Wounded Warrior regiment and 27 Area barracks — were cleared to be reopened. The base also tweeted around 4:30 a.m. Saturday that De Luz housing was cleared to be reopened, but De Luz Road remained closed near Vandergrift Boulevard.

# MCB Camp Pendleton firefighter strives to make difference

*Village News*

## **Cpl. Lukas Kalinauskas**

*Marine Corps Installations West, Marine Corps Base Camp Pendleton*

"Every day is a regular day for us, but when we get a call, that could be the worst day of their life," Lt. Rusty Duke, a lieutenant with Marine Corps Base Camp Pendleton Fire Station No. 1 said.

Duke, 37, from San Clemente, California, has experienced a lot in his 18 years as a firefighter. Starting from a humble beginning as a volunteer firefighter with the Orange County Fire Authority, Duke got his foot in the door in 2008 when he to a career firefighter working for the U.S. Forest Service.

After starting in his current position as a firefighter at MCB Camp Pendleton 10 years ago, Duke has been a valuable part of preventing and combating wildfires on base. In 2017, there were 231 fires on base, and of those 231 fires, Duke was involved in containing and extinguishing many of them.

Duke was first interested in firefighting after taking a career aptitude test in high school. When the test revealed he was best suited to be a firefighter, police officer or construction worker, he decided firefighting was the best fit for him.

"I didn't grow up going to fire stations and getting excited by fire trucks, but once I started looking into it, I realized this job was meant for me," Duke said.

As a firefighter, it's Duke's job to control and extinguish fires as well as respond to emergencies where life, property or the environment is at risk. Whether there's a cat stuck in a tree, someone getting attacked by a shark or even a baby being born, Duke or one of his fellow firefighters have been there.

"I've delivered babies on the side of the street, in cars, in living rooms," Duke said. "To be able to say I delivered a baby, I brought a life into the world, it's a pretty good feeling."

As a lieutenant, leader, and mentor, Duke ensures his junior firefighters strive to broaden their knowledge and skill sets by training on swift water rescue procedures, trench rescue techniques, building-collapse scenarios and any other emergencies a firefighter may face.

"If it doesn't require a gun to deal with, people expect the fire department to deal with it, and we do; that's what we're here for," Joey Araiza, a captain with MCB Camp Pendleton Fire Station No. 1 said. He has worked with Duke for 10 years.

"There's never a dull moment with Lt. Duke, and he wants the best for other people," Araiza said.

As Duke looks towards a promotion to captain, he said he hopes to continue to leave a lasting impression on his junior firefighters so they can be more effective first responders. As a captain, he will have more responsibility, he said, and would like to maintain positive change within the MCB Camp Pendleton Fire Department.

"I want my firefighters to be better than I am; that's the legacy I wanna leave," Duke said. "Even if it's just one person, making a difference in that one person's life is a very rewarding feeling."



## California Two-Thirds Vote for State and Local Revenue Increases Initiative (2018)

The **California Two-Thirds Vote for State and Local Revenue Increases Initiative** is not on the [ballot](#) in [California](#) as an [initiated constitutional amendment](#) on [November 6, 2018](#).

The ballot initiative would have required a two-thirds vote of the electorate on all local taxes, such as soda taxes, and required a two-thirds vote of the state legislature to pass revenue-generating bills.<sup>[1]</sup>

Although proponents collected enough signatures for the initiative to appear on the ballot, initiative backers agreed to a compromise bill with legislators to keep the initiative off the ballot. On June 28, 2018, proponents withdrew the initiative.

### Withdrawn

On June 28, 2018, California Gov. Jerry Brown (D) signed legislation to preempt local soda taxes until 2031 in a compromise to keep an initiative off the ballot that would have required a two-thirds vote of the electorate on all local taxes. The legislation, titled Assembly Bill 1838 (AB 1838), also preempted local taxes on other types of groceries.<sup>[2]</sup>

AB 1838 allows local governments that enacted soda taxes before 2018 to continue to impose them. The cities of Albany, Berkeley, Oakland, and San Francisco had passed ballot measures in recent years to impose taxes on soda. Ordinances to enact soda taxes were proposed in Sacramento, Santa Cruz, and Richmond for 2018. Due to AB 1838, these cities won't be permitted to enact soda taxes until 2031. Assemblyman Richard Bloom (D-5), who voted for the compromise legislation, said, "What on Earth has happened here? If I sound like I am frustrated, angry and disgusted, I am."<sup>[3]</sup>

The ballot initiative would have required a two-thirds vote of the electorate on all local taxes, such as soda taxes. Supporters of the ballot initiative raised \$8.25 million as of June 28. More than \$7 million was from the American Beverage Association California PAC. Since January 1, 2017, the American Beverage Association California PAC had received contributions over \$10,000 from five sources—The Coca-Cola Company (\$3,050,827), PepsiCo Inc. (\$2,303,851), Dr. Pepper Snapple Group, Inc./Mott's LLP (\$964,516), Red Bull North America (\$89,206), and the national American Beverage Association (\$24,679).<sup>[4]</sup>

Sen. Scott Wiener (D-11) described the ballot initiative as a nuclear weapon

aimed at the state and local governments in California. Assemblyman Jim Wood (D-2) said the compromise legislation resulted from extortion. He tweeted, "Extortion is the practice of obtaining something through force or threats. That's what's happening this week and the bad actors are the beverage industry." Senate President Toni Atkins (D-39) said that the ballot initiative would have been worse. "We find ourselves under the biggest rock and the smallest hard place," she said.<sup>[3]</sup>

The ballot initiative qualified for the ballot on June 27, 2018, after proponents collected more than the 585,407 required signatures. Proponents withdrew the ballot initiative on June 28, 2018, which was the deadline to do so.<sup>[5]</sup>

## Measure design

The initiative would have amended [Section 3 of Article XIII A](#) of the [California Constitution](#)—which required that two-thirds of the members of each chamber of the [California State Legislature](#) vote to approve statutes resulting in higher taxes—to require that legislation enacting new, increased, or extended revenue-generating measures include specific, binding, and enforceable limits on how the revenue from the measures can be spent. The initiative would have also defined *tax* to include "any and every possible type of charge, levy, fee, payment, consideration, compensation, rate, exaction, toll, recompense, remuneration, or assessment, whether measured in currency or some other form of property or value." As of 2018, *tax* was defined in Article XIII A as "any levy, charge, or exaction of any kind charged by the State."<sup>[1]</sup>

The initiative would have created a new section of Article XIII A that would have required regulations that contain a new, increased, or extended revenue-generating measure to expire on June 30 of the year succeeding the year the regulation was enacted, unless two-thirds of each legislative chamber votes to postpone the regulation's expiration.<sup>[1]</sup>

The initiative would have also amended [Section 2 of Article XIII C](#)—which required that local general and special taxes be approved at the ballot box—to require a two-thirds vote of the electorate for all taxes, including those put on the ballot through an initiative. The initiative would also have required a two-thirds vote of a local government board to submit a tax to voters. Furthermore, the initiative would have required that ballot questions detail how revenue from a tax would be spent in a "separate, stand-alone section containing no other information."<sup>[1]</sup>

## Text of measure

### Ballot title

The official ballot title was as follows:<sup>[6]</sup>

# Supreme Court Deals Major Setback to Public Unions

***The 5-4 decision -- that employees can opt out of paying fees to unions that represent them -- could invalidate laws in more than 20 states and significantly weaken unions across the country.***

BY: [Daniel C. Vock](#) | June 27, 2018

*Last updated at 12:37 p.m. ET*

The U.S. Supreme Court dealt public-sector labor unions a potentially crippling blow Wednesday, as a narrow majority struck down a key feature of collective bargaining arrangements due to free speech concerns.

The 5-4 decision in the case from Illinois, *Janus v. AFSCME*, centered on whether government workers who don't want to belong to the unions that represent them should still have to pay for services they provide, such as contract negotiations or arbitration. On Wednesday, the high court ruled that those so-called "agency" or "fair-share" fees violated the First Amendment.

"The state may require that a union serve as [an] exclusive bargaining agent for its employees," Justice Samuel Alito wrote for the court's majority. "We simply draw the line at allowing the government to go further still and require all employees to support the union irrespective of whether they share its views."

Unions denounced the decision.

"We are extremely disappointed the Supreme Court has taken the side of the powerful few, but we're more determined than ever to keep our union strong, standing up for public services and the working people who provide them," said AFSCME Council 31, one of the largest unions representing Illinois state workers, in a statement.

The court's ruling overturns a 1977 decision in the case of *Abood v. Detroit Board of Education*, which allowed for unions to collect agency fees. Alito said the 41-year-old decision was flawed for several reasons.

For example, he said, the court in the earlier case didn't scrutinize the claims that the fees were necessary to keep labor peace in public workplaces. It was specifically worried that unions would compete with each other for members, causing rivalries within the workplace. The court also wanted to avoid situations where government agencies would have to have separate contracts with two or more labor unions that represented different groups of employees.

But the court "cited no evidence that the pandemonium it imagined would result if agency fees were not allowed, and it is now clear that Abood's fears were unfounded," Alito wrote.

Union advocates worry that if allowed, too many public workers will opt of paying union fees, potentially leading to lost union clout, worse working conditions and employee protests.

Alito attempted to allay those concerns, pointing to the federal government, where unions can be elected to represent all employees, but federal law doesn't let them collect agency fees. Under that arrangement, 27 percent of federal employees are union members.

"Likewise, millions of public employees in the 28 states that have laws generally prohibiting agency fees are represented by unions that serve as the exclusive representatives of all the employees. Whatever may have been the case 41 years ago when *Abood* was handed down, it is now undeniable that 'labor peace' can readily be achieved through means significantly less restrictive of associational freedoms, than the assessment of agency fees," Alito wrote for the majority.

The conservative majority also implicitly faulted public employee unions for higher spending by state and local governments.

"It is also significant that the court decided *Abood* against a very different legal and economic backdrop," he wrote. "Public-sector unionism was a relatively new phenomenon in 1977. The first state to permit collective bargaining by government employees was Wisconsin in 1959. Since then, public-sector union membership has come to surpass private-sector union membership, even though there are nearly four times as many total private-sector employees as public-sector employees. This ascendance of public-sector unions has been marked by a parallel increase in public spending ... Not all that increase can be attributed to public-sector unions, of course, but the mounting costs of public-employee wages, benefits and pensions undoubtedly played a substantial role."

Alito pointed to Illinois state government, which employs Mark Janus, the plaintiff in the case. The state has \$129 billion in unfunded pension liabilities, "as a result," Alito claimed, "of generous public-employee retirement packages." (That contradicts the conclusions of the Illinois legislature's fiscal analysts, though. When looking at the \$87 billion in additional unfunded liabilities the state incurred between 1985 and 2012, the Illinois Commission on Government Forecasting and Accountability [concluded](#) that only \$8 billion -- or less than a tenth of the overall funding shortfall -- came from benefit increases.)

The Supreme Court majority also said unsustainable collective bargaining agreements have been blamed for many municipal bankruptcies, citing a [filing](#) from Michigan and 18 other states that claimed that union-bargained benefits played a role in the bankruptcies of Detroit; Stockton, Calif.; and San Bernardino, Calif.

"These developments, and the political debate over public spending and debt they have spurred, have given collective-bargaining issues a political valence that *Abood* did not fully appreciate," Alito wrote.

The four liberal members of the high court, though, argued that the court should have kept its "fundamentally sound" precedent.

"Rarely if ever has the court overruled a decision -- let alone one of this import -- with so little regard for the usual principles of *stare decisis*," wrote Justice Elena Kagan, referring to the legal principle that courts should defer to earlier precedents. "There are no special justifications for reversing *Abood*. It has proved workable. No recent developments have eroded its underpinnings. And it is deeply entrenched, in both the law and the real world. More than 20 states have statutory schemes built on the decision. Those laws underpin thousands of ongoing contracts involving millions of employees."

Justices Ruth Bader Ginsburg, Stephen Breyer and Sonia Sotomayor joined Kagan in her dissent.

## Past Cases

This is the third time in the last five years that the court has heard a case that raised the issue of whether agency fees violated the First Amendment.

The Supreme Court [previously heard](#) a different case from Illinois, called Harris v. Quinn, dealing with almost the exact same issue. But the judges [resolved](#) that case in 2014 without tackling the issue of agency fees head-on because the plaintiffs in that case were only “partial public employees.” The second time, the court split 4-4 after the death of Justice Antonin Scalia.

After Justice Neil Gorsuch joined the court last year, most legal observers expected the Supreme Court to overturn Abood and declare the agency fees unconstitutional.

Although conservatives on the Supreme Court have long been interested in agency fees, this particular case got its start when Illinois Gov. Bruce Rauner took office in 2015. He immediately made weakening public-employee unions a central piece of his agenda.

One of the things he tried to do was to [prevent unions](#) of state employees from collecting agency fees. That gambit ultimately failed in lower courts. The governor was dismissed from the lawsuit long ago, but it continued through the courts with Janus as the plaintiff.

Rauner has continued to follow the case. He attended oral arguments in February, and this week he extended a trip to Washington for two days in anticipation of the court's decision.

“For decades, Illinois workers have been forced to pay partial union dues against their will,” Rauner said. “The practice infringed on the constitutional rights of public-sector workers who were asked to give up their First Amendment rights as a condition of employment. This decision fairly reinstates those rights.”

His office said the state would immediately stop withholding agency fees from the paychecks of non-union state workers. It also said state workers “would be given an opportunity to modify their union status,” and noted that an average union member who works for the state pays about \$900 a year in dues.

This article was printed from: <http://www.governing.com/topics/workforce/Supreme-Court-in-5-4-Ruling-Deals-Major-Setback-to-Public-Unions.html>



## **Village News - Also serving the communities of De Luz, Rainbow, Camp Pendleton, Pala and Pauma**

### **Help needed in solving suspicious house fire in Bonsall**



The house in the 31000 block of Via Puerta Del Sol in Bonsall burned under suspicious circumstances in the morning, June 5.

SAN DIEGO – San Diego County Crime Stoppers, along with investigators from the San Diego County Sheriff's Bomb and Arson Unit, are asking for the public's assistance in providing any information on a suspicious house fire in the Bonsall area.



San Diego County Sheriff's Bomb and Arson Unit is investigating this house fire on Via Puerta Del Sol.

Sheriff deputies, along with the North County Fire Department, responded to a residential structure fire, June 5, at 4:51 a.m. in the 31000 block of Via Puerta Del Sol in the community of Bonsall. The Sheriff's Bomb and Arson Unit was requested and responded to the location to investigate the cause of the fire.

No injuries occurred because of this fire. The damage caused to the structure is estimated at \$900,000. The cause of the fire is still under investigation. Investigators are asking any witnesses to this fire to please contact them.

If you have any information on this fire, call the Sheriff's Bomb and Arson Unit at (619) 956-4980 or the Crime Stoppers anonymous tip line at (888) 580-8477.

Crime Stoppers is offering up to a \$1,000 reward to anyone with information that leads to an arrest in this case. Information on how to send anonymous web and mobile app tips can be found at <http://www.sdcrimestoppers.org>.

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# FPUD to explore community benefit district

*Village News*

Last updated 6/23/2018 at 4:10pm

Several subsequent steps including voter approval would be needed before the Fallbrook Public Utility District could create a community benefit district to handle community beautification and maintenance items, and a June 13 ad hoc committee meeting was among the first of those activities.

FPUD board member Don McDougal is the chair of the ad hoc committee, FPUD director Jennifer DeMeo is the committee's vice-chair, and the committee also includes Donna Gebhart from the Fallbrook Trails Council and Joe Comella from County Service Area No. 81, which covers parks in Fallbrook, Rainbow, and DeLuz. The meeting was open to the public, and FPUD staff members were also present.

"It was just talking about setting up some meetings with the public down the road to get voter input," said FPUD acting general manager Jack Bebee. "They're trying to figure out if there's interest and what it would take to actually do something."

FPUD's May 29 meeting included a presentation by the Fallbrook Chamber of Commerce and other community groups proposing the possibility that FPUD might take responsibility for community maintenance.

"It's been talked about for some time," Bebee said.

FPUD's October 2015 meeting included a discussion on the process for activating park and recreation latent powers, and a request for additional information resulted in a December 2015 workshop with no board voting items.

The desire to have the locally-elected district rather than the county maintain Fallbrook assets also includes a 1999 attempt to transfer Fallbrook Community Airpark from the county to FPUD, although after hearing presentations and scheduling a meeting for an action item FPUD's board voted 3-2 to reject further steps.

Professionally McDougal is the chief executive officer of the Grand Tradition Estate and Gardens venue which in the recent past hosted a 4th of July fireworks celebration. The proceeds for that were given to the Fallbrook Beautification Alliance, which is among the community groups seeking the possibility of a benefit district through FPUD.

"It's some type of benefit district that benefits the community beautification and maintenance projects," McDougal said.

"This is really being driven by the local community groups, not by FPUD," McDougal said. "The groups would like to look at something that is controlled by the community, not by the county."

The benefit district would focus on maintenance including trash and graffiti removal. "The group has identified a list of about 15 projects," McDougal said.

"Most of these were funded in the past by the fundraiser they had on July 4," McDougal said. "The last two years they haven't had that."

FPUD currently has water provision, wastewater collection and treatment, and water reclamation latent powers.

The California Public Utilities Code also gives a public utility district the potential powers of acquiring, constructing, owning, operating, controlling, or using works to supply its residents and businesses with light, water, power, heat, transportation, telephone service or other means of communication, and garbage or other refuse matter disposition.

A public utility district may also acquire, construct, own, complete, use, and operate a fire department, a street lighting system, public parks or playgrounds, golf courses, swimming pools, public recreation buildings, other buildings to be used for public purposes, and works to provide for the paving and drainage of roads, streets, curbs, gutters, sidewalks, and other public places.

San Diego County's Local Agency Formation Commission (LAFCO) must grant FPUD latent powers to own or operate park and recreation facilities. "You'd have to activate additional powers and there's a process that's associated with that," Bebee said.

An FPUD application to LAFCO for such latent powers would need to address forecasted revenues and expenses, sources of revenue projections such as property taxes and user fees, and the future of County Service Area No. 81 which derives its funding from a share of property tax revenue.

CSA No. 81 was created in 1976. The governing body of a county service area is the San Diego County Board of Supervisors, although a CSA has an advisory board comprised of local residents appointed by the Board of Supervisors.

Twelve special districts in San Diego County have park and recreation latent powers, including five water districts and one community services district which includes potable water services.

The Helix Water District, Padre Dam Municipal Water District, Olivenhain Municipal Water District, and Ramona Municipal Water District have storage facilities which are also used for public recreation.

The Borrego Water District acquired park and recreation latent powers after it merged with the Borrego Springs Parks Community Services District which provided water and sewer service and also operated the Club Circle par-54 golf course. The Jacumba Community Services District provides potable water services and is also responsible for Jacumba Community Park.

The Lake Cuyamaca Recreation and Park District oversees Lake Cuyamaca but does not provide water service. Valley Center's four active recreation parks are owned and operated by the Valley Center Parks and Recreation District.

CSA No. 81 is one of four county service areas in San Diego County which provide park and recreation services. CSA No. 26 covers parks in Rancho San Diego, CSA No. 83 serves San Dieguito, and CSA No. 128 maintains Spring Valley parks.

Because portions of CSA No. 81 are outside the FPUD boundaries, a LAFCO action to authorize park and recreation latent powers would also include the determination of whether the CSA No. 81 boundaries would be adjusted.

"Part of it is to look at what the process would be to do something like that," Bebee said.

A community benefit district would also include an assessment, so voter approval would be required. The current estimated assessment is \$5 per month. The determination of voter support will precede any efforts to form the district.

"The next step is to schedule some public workshops," Bebee said.

Prior to community forums – McDougal expects one such meeting for businesses and one for residents with one forum taking place during business hours and one in the evening – Bebee will obtain information from LAFCO executive officer Keene Simonds on the process portion of the requirements.

"It's very preliminary at this point," McDougal said. "It's all preliminary investigation at this point."

"No formal action has been taken to commit to do anything except to explore and evaluate it," Bebee said. "It's just at a state of looking at it."

"It would be really nice to have some type of a funding program that could help maintain those community projects," McDougal said. "Hopefully we can come up with something that will allow us to make that happen."

## City moves ahead with false fire alarm fees – Chico Enterprise-Record

CHICO — The Chico Fire Department will soon begin charging for repeated false fire alarms after the City Council voted in favor of amending city code to address the issue Tuesday.

The department has received more than 1,400 calls in two years that turned out to be false fire alarms, accounting for more than 5 percent of total calls received in 2016 and 2017. Some of those calls come from repeat offenders, including Chico State University, with the department responding to as many as 50 false alarms at one property.

Fire Chief Steve Standridge asked Tuesday that the council consider amending city code to reduce the wasted expenses, time and resources associated with such calls, and adopt a policy that allows the city to collect fees of \$100-\$200 for repeated false fire alarms the same way it does for false security alarms.

Existing city code regulates security alarm monitoring companies and users, but no such regulation exists for fire alarms. The effort to establish such a regulation is not driven by a desire to generate revenue, Standridge said, but rather to reduce the occurrences of false fire alarms and frequency of responses from the department.

The proposal will allow the department to charge \$100 for the second response to a false alarm and \$200 for each additional response. The fees are for false alarms from monitored systems, in which the Fire Department is contacted, and include alarms caused by malfunction or neglect, but not those caused by earthquakes or other circumstances a user cannot reasonably control, Standridge said.

“What we’re really looking for are instances where the actual system itself is not being maintained by the property owner,” Standridge said.

Chico State’s director of environmental health and safety, Marvin Pratt, who spoke on the issue briefly during public comment, said he understands the need for such a fee, but is concerned about how it would impact the campus, particularly University Village, a housing complex that regularly has false fire alarms caused by students cooking in small kitchens.

The university has tried to change its system to reduce those calls, but its proposal was denied by the State Fire Marshal. He added he is worried about the unintended consequence of such a fee and how it could impact safety.

“I don’t want an engine running down the road for something that’s not an emergency. The trouble is we don’t know what’s an emergency. If we wait, it may be too late,” Pratt said.

The council approved the proposal unanimously, while at the same time recommending that the city work with the university on the issue moving forward.

The council also took a new step toward addressing its growing pension deficit by establishing a pension stabilization trust. The city will this year put money in an irrevocable trust that can only be used for pension related expenses, and those funds will be invested in such a way to yield greater returns.

“We can’t use the (funds) for operations. There’s value there. If we had dollars available there’s a temptation to use it for needed things,” City Finance Director Scott Dowell said.

The fund is the last tool the city has to address the growing pension crisis, as appeals to CalPERS haven’t worked, Dowell said. The city plans to put \$1 million in the trust this year.

The council voted unanimously in favor of establishing the trust, and later voted to have city staff return with a proposed policy on how changes to the trust will be made.

The council also:

- Upheld an appeal from residents of a Chico neighborhood to overrule a Planning Commission decision to offer to dedicate a street connection from the Marigold Heights subdivision to Rusty Lane. The proposed connection would have created a street on privately owned property and residents expressed concern about the safety of such a thoroughfare and the impact it would have on the neighborhood. The council



voted 6-1 to uphold the appeal with Mayor Sean Morgan, Vice Mayor Reanette Fillmer and councilors Ann Schwab, Karl Ory, Randall Stone and Andrew Coolidge in favor and Councilor Mark Sorensen opposed.

- Unanimously voted in favor of requests from Stone to discuss Humboldt Avenue safety issues and campaign finance regulations at a future meeting.
- Unanimously voted to refer the concept of street maintenance bond funding to the finance committee. That request from Sorensen came after a request from Councilor Karl Ory to look at the Chamber of Commerce recommendation for a tax increase to aid police staffing and improve roads at a future meeting failed in a 4-3 vote with Morgan, Fillmer, Sorensen and Coolidge opposed and Ory, Schwab and Stone in favor.
- Heard from several members of the Justice for Desmond Phillips group who expressed concern about the adequacy of training that Chico police officers receive and how the department handled the incident that led to Phillips' death in 2017.

## **“Protected Activity” Rejected by California Appellate Court Under Anti-SLAPP Statute**



How and where public officials share information is critical to whether the dissemination is “protected activity” under California’s anti-Strategic Lawsuit Against Public Participation statute, an appellate court has found. The opinion, handed down June 13, stems from a lawsuit claiming public school officials took retaliatory actions against a former board member by disseminating confidential medical information and making claims of improper activity against her.

Former Lucerne Valley Unified School District Board Member Dawn Turnbull filed the lawsuit after she accused Superintendent Suzette Davis of misappropriating school district funds. In her lawsuit, Turnbull alleged that Davis, along with two other Board members and a school “volunteer,” retaliated against her for her accusations against Davis by obtaining and disclosing Turnbull’s confidential medical information and generating and making false reports of improper activity. Turnbull claimed invasion of privacy, interference with her constitutional and civil rights and civil conspiracy to violate her rights of privacy and free speech.

The defendants, including the District, filed an anti-SLAPP motion seeking to dismiss Turnbull’s suit. They claimed their activity was “protected activity” under the statute. They asserted her medical record related to her “off-work” note in which her doctor justified her time away from work, and was a matter of public interest regarding her absences from Board meetings. Further, they asserted that the reports of improper activity concerned statements and deliberations at Board meetings, and were thus protected. Turnbull replied that none of the defendants’ actions were undertaken in their official capacities and were not related to matters of public interest.

The trial court found the defendants failed to prove their activities were “protected activities” and denied the

motion. The defendants appealed. In a decision issued on June 14, Division Two of the Fourth District Court of Appeal affirmed the trial court's denial of the anti-SLAPP motion and found in Turnbull's favor. (*Dawn D. Turnbull v. Lucerne Valley Unified School District, et al.*)

The anti-SLAPP statute is designed to encourage participation in matters of public significance by providing a defendant a means to quickly obtain dismissal of a suit brought to chill that person's participation in those processes of public interest — "protected activity," such as free speech or the right to petition the government. The courts have long held that government entities and officials may invoke the statute's protections. The critical question is whether the plaintiff's cause of action is based on the defendant's protected activity of free speech or petition.

Here, although the defendants' actions arose in the context of District and Board business conduct, Turnbull's alleged causes of action were not themselves "protected activity." Thus, the disclosure of her confidential medical record — the act of one of the defendants giving that information to another, who then published it on social media — was not speech or "protected activity." The court further found that the defendants' alleged retaliatory acts were not conducted in a place "open to the public or a public forum," and thus, were not "protected activity."

The decision suggests that the acts of public officials related to or arising from the business of a public agency will not necessarily be shielded from a claim of unlawful conduct by the anti-SLAPP statute if not carried out in the public forum. Although the court did not explicitly rule that such actions *must* take place in an open and public meeting to trigger the anti-SLAPP protections, doing so, arguably, would lend credibility to the "protected" nature of the activity or speech.

If you have any questions about this opinion or how it may impact your agency, please contact the author of this Legal Alert listed to the right in the firm's [Government Policy & Public Integrity](#) practice group, or your [BB&K attorney](#).

Please feel free to share this Legal Alert or subscribe by [clicking here](#). Follow us on Facebook [@BestBestKrieger](#) and on Twitter [@BBKlaw](#).

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## CalPERS Adopts Health Rates With a 1.16 Percent Increase

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June 20, 2018

**Communications & Stakeholder Relations**

**Contact: Stephanie Buck, Information Officer**

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**SACRAMENTO, Calif.** – The CalPERS Board of Administration today approved health care rate and plan changes for 2019 that include an average 1.16 percent overall premium increase, marking the lowest health premium increase CalPERS has negotiated in over two decades. Amid increasingly volatile health care markets across the industry, CalPERS continues to achieve historically competitive prices.

"Once again, we've negotiated premium increases that are among the lowest in the nation," said Rob Feckner, chair of the Pensions Health and Benefits Committee. "On top of the success we saw last year in keeping increases low, this is another sign how aggressive and successful we've been in maintaining quality of care and being diligent about costs on behalf of our members."

Members enrolled in CalPERS' Basic (non-Medicare) Health Maintenance Organization (HMO) health plans will see a 0.37 percent average premium increase. Members enrolled in Preferred Provider Organization (PPO) plans will see an overall average increase of 2.83 percent. CalPERS Medicare plan enrollees will see their premiums increase by an average 1.37 percent.

The new rates will take effect on January 1, 2019.

According to the PwC's Health Research Institute, health care costs for employers and insurers nationwide are projected to increase 6 percent in 2019.

CalPERS is projected to spend \$9.3 billion in 2018 to purchase health benefits for 1.4 million active and retired state, local government, and school employees and their families. It is the second largest purchaser of health care in the country, behind the federal government.

Among notable health plan and benefit changes for 2019:

- Overall rates for seven of the nine HMO plans will be less than the 2018 rates.
- Health Net will leave the Sacramento market in 2019.
- Blue Shield Access+ will exit eight Bay Area counties in 2019.
- A pilot program for reference-pricing pharmaceuticals will begin with three therapeutic classes: Nasal corticosteroids, thyroid medications, and estrogens. Reference-pricing has been shown to improve transparency in drug pricing by offering members lower-cost therapeutic alternative drugs.

- The PERS Select Basic PPO plan will adopt a value-based insurance design. The approach aims to improve quality and lower costs associated with health care by emphasizing primary care and introducing cost incentives to lower deductibles.
- SpineZone, an online back and neck pain program, and Wisdom, a study to optimize breast cancer screening, will be available to PPO members.

"CalPERS continues to champion health care innovation to improve health outcomes and reduce costs," said Priya Mathur, president of the CalPERS Board. "Despite the volatility in health care, we're always looking for new and creative ways to add value for our members."

To offset the financial impact of changes in patient utilization and other medical cost increases, the Board adopted two "buy down" efforts. Using funds from its health reserve, CalPERS allocated funds to buy down the premium for its PERSCare PPO plan and premiums for Medicare PPO plans. While the buy down efforts help, PERSCare members will still see a 19% increase in 2019 premiums. New rates for members of the PERS Select PPO plan, however, will drop by 25 percent. All members should pay close attention to their health plan options during open enrollment.

"The buy down of PERSCare is intended to smooth premium increases over the next two years," said Liana Bailey-Crimmins, CalPERS health director. "We want to make sure that the 35,000 members who belong to PERSCare can reasonably plan for the increased costs."

The 2019 premiums reflect the Board's decision last year to stop risk-adjusting rates.

Detailed information on 2019 rates for active and retired members are available on the CalPERS website.

CalPERS members can make changes to their health plan choices during the annual Open Enrollment period, September 10 to October 5, 2018. Open Enrollment materials and information on health plan options will be available through members' my|CalPERS<sup>®</sup> accounts beginning August 27, 2018.

For the first time, members will be able to access Open Enrollment information on an application designed specifically for mobile devices, to be announced later this summer.

## About CalPERS

For more than eight decades, CalPERS has built retirement and health security for state, school, and public agency members who invest their lifework in public service. Our pension fund serves more than 1.8 million members in the CalPERS retirement system and administers benefits for more than 1.4 million members and their families in our health program, making us the largest defined-benefit public pension in the U.S. CalPERS' total fund market value currently stands at approximately \$353 billion. For more information, visit [www.calpers.ca.gov](http://www.calpers.ca.gov).





# Taking Action: Exploring a New Private Equity Model

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June 19, 2018

*By Marcie Frost, CalPERS chief executive officer*

Making good investments and earning solid returns are more important than ever at CalPERS.

Why?

We have 71 percent of the assets needed to pay promised retirement benefits and a goal of earning 7 percent over the long term. These can be daunting and challenging numbers when faced with where to invest CalPERS assets, but they also motivate us to be innovative and take action.

## We're Seeking Solutions

Over the last year, we've been undergoing thoughtful research and analysis of new approaches for CalPERS to invest in private equity. Private equity is our highest returning asset class, averaging 10.6 percent annually over the past 20 years. It's critical to our success.

As Dr. Ashby Monk, the executive director of the Stanford Global Projects Center and one of the world's leading experts on design and governance for institutional investors, told the CalPERS Investment Committee: "Private equity is a tough business for funds ... in large part because you need it. You can't walk away from private equity."

We're not abandoning an asset class we've been successful at. CalPERS was recently ranked in the top three of the world's best performing buyout investment programs in a study by the Private Equity Observatory at the international business school HEC Paris.

But with a \$355 billion portfolio, investing in funds within the private equity market isn't enough. We need a forward-looking private equity program to help achieve our 7 percent return target. We want to put 10 percent of our total fund to work, and that requires new thinking and new approaches for CalPERS.

Part of our proposed plan, which will undergo additional evaluation before the CalPERS Board makes a go/no-go decision, includes an investment program called CalPERS Direct. One part of CalPERS Direct would be dedicated to investing in promising companies in life sciences, healthcare, and bio-technology. The other part would take material stakes in more traditional, established companies.

These models won't replace what we're already doing, they will operate alongside them.

The investments we make through CalPERS Direct would be long term, extending over decades. Private equity funds typically have about a 10-year lifespan, but these new models will have evergreen terms to better correspond with our pension liabilities, which are paid out over decades as well.

CalPERS Direct would operate as a separate partnership with CalPERS as the principal participant. It would have its own board, management team, and staff. The CalPERS Board, however, would retain authority over the program tenure and capital contributions.

We have a lot more work to do before this plan can move forward. But as Dr. Monk said, "I'm encouraged that if you can get the governance right, if you can evolve this into a platform that can recruit the right talent, you can succeed."

## Why We're Considering This Approach

The financial marketplace is changing and we need to change with it.

The competition to find and fund high-quality investments is fierce. The number of private companies going public has been on a sharp decline for 20 years, at the same time the number of investors seeking private equity deals has rapidly grown. The independent structure of CalPERS Direct would enable us to better source and more directly take advantage of the opportunities that we believe can ultimately drive returns higher. And, as our fund continues to grow, it can help us maintain our target of investing about 10 percent of our total portfolio in private equity.

We also think we'll save some money over time. Private equity's overall success can't be ignored, but its fees and expenses are higher than other asset classes. This model will help us address those costs by enabling us to move away from paying asset-based fees and achieving economies of scale. Ultimately, we'll be able to keep more money in the fund.

Our funded status must increase. It'll take time to push it up to 80, 90 percent, but we're committed to getting the total returns we need.

## We've Listened to Our Stakeholders

Here's what our stakeholders want: A healthier funded status. Strong returns. Innovative thinking.

Employers, retirees, and labor groups expect us to earn enough from our investments to pay the benefits that have been earned. They want us to build an investment portfolio that drives returns — returns that guarantee we'll be here when the next generation retires, and the generation after that. They want steady, solid earnings that help employers manage their contributions over the long term.

We're driven to provide retirement security to our members. A strong private equity program helps us do that.

## **Lilac fire survivors invited to a community barbecue**

*Village News*

Last updated 6/26/2018 at 8:46am

**FALLBROOK** – The Community Recovery Team is hosting a Tri-tip and Rib Barbecue Dinner, “Recovery – A Conviction of the Heart,” for all Lilac fire survivors, 1 to 4 p.m., Saturday, June 30. It will be held at Fallbrook United Methodist Church, 1844 Winterhaven Road, in Fallbrook.

The event, sponsored by the San Diego Foundation to commemorate six months of recovery, will include music, a photo booth, gifts, resources, arts and crafts.

For more information on case management or the barbecue, contact Dawn Hubert at [dawncrt@gmail.com](mailto:dawncrt@gmail.com).

# **NCFPD approves Meadowood CFD agreement**

*Village News*

Last updated 6/26/2018 at 9:14am

The agreement for a Community Facilities District for Pardee Homes' Meadowood development received the support of the North County Fire Protection District.

A 5-0 NCFPD board vote April 24 authorized NCFPD fire chief Steve Abbott to execute the Joint Community Facilities Agreement with the county which will utilize the Community Facilities District to assess taxes upon property to help fund services to the area including fire protection and emergency medical services.

"We're thankful to have that mechanism," Abbott said. "It will allow both the fire department and the county to be able to afford to serve that project."

In January 2012, the San Diego County Board of Supervisors approved the 384-acre Meadowood development which will include 397 single-family homes, 447 multi-family dwelling units, 13 acres for an elementary school which will be built by the Bonsall Unified School District, four acres of park land, 128 acres of biological open space, 47 acres of agricultural open space, 5.9 miles of trails, and a wastewater treatment plant.

The one percent property tax will not be sufficient to cover county, San Diego County Flood Control District, or North County Fire Protection District services which will be needed to serve Meadowood.

The county and Pardee have been working to create a Community Facilities District which would include a special tax to pay for services not funded by the regular property tax. The revenue would be distributed through a Joint Community Facilities Agreement which stipulates the collection process as well as the distribution process.

In 2007 the county supervisors adopted Board Policy I-136 which outlines how potential Community Facilities District projects will be evaluated, ensures that the CFDs are created for the public good, and stipulates disclosure requirements which notify prospective property owners of the assessment.

Policy I-136 also defines credit requirements to protect bondholders from default for CFDs which issue bonds for reimbursement of constructed infrastructure, although Meadowood will fund services only and will not use long-term bonds.

The Community Facilities District would allow for the collection of three special taxes: one for county services, one for flood control services (although the county supervisors also serve as the board of the San Diego County Flood Control District and the flood control district is administered by the county's Department of Public Works, it is a separate legal district), and one for fire and emergency medical services.

The first step required to form a CFD is a petition from the developer, which has been received along with the proposed boundary map. Because the proposed CFD area is currently uninhabited and Pardee is the sole property owner, a consent and waiver will allow for a waiver of the normal election procedure to form the CFD and the ballot to form the CFD can be returned immediately upon the adoption of the resolution forming the assessment district.

In 2014 San Diego County's Local Agency Formation Commission detached the Meadowood land from the San Diego County Regional Fire Authority boundaries and annexed the 384 acres into the North County Fire Protection District.

The LAFCO transfer provided the North County Fire Protection District with seven percent of the one percent basic property tax assessment which was based on previous property tax exchange agreements.

That funding will not cover the full cost of delivering fire protection and emergency medical service to Meadowood, so additional revenue to cover the fire district's cost to serve the area will be obtained through the CFD. The fire district received \$389,000 in annexation fees as part of the annexation process.

The CFD would not have a levy for fire protection and emergency medical services on the undeveloped property. Each single-family unit would initially be assessed \$287 for the fire and emergency medical services tax while each multi-family dwelling unit would be assessed \$186. That translates into approximately \$197,000 of revenue for the North County Fire Protection District.

The initial tax amount is for fiscal year 2018-19. The taxes would be increased by two percent annually to cover the increased cost of services.

# Overcoming Public-Employee Silence

***Too many government workers don't think their organizations value their input. It's a challenge their leaders need to take seriously.***

BY: [Leisha DeHart-Davis](#) | July 2, 2018

*"My department manager does not like differing opinions shared and tries to shut down any conversations of such."*

*"Over the years, we have been asked many times about ways to save money for the department and the city, but nothing ever changes."*

*"Nine times out of ten, my ideas are dismissed."*

*"We do have an opportunity to provide opinions but what's the repercussions? Most don't speak about their opinion because they know that it won't result in change."*

These excerpts from interviews with employees of local governments -- a building inspector, a firefighter, a parking services representative and a housing maintenance technician -- illustrate what employee silence looks like, when workers intentionally withhold ideas for workplace improvements or keep their concerns to themselves. These employees have chosen not to speak up because nothing comes of their suggestions, they fear retribution or their thoughts are dismissed.

Employee silence means that potentially valuable information is not making it up the hierarchy for consideration. As a result, silence stifles innovation, dampens employee morale and hinders organizational effectiveness. The effects are particularly damaging for the delivery of high-quality public services with scarce taxpayer dollars.

How big a problem is employee silence for government? At the Local Government Workplaces Initiative at the University of North Carolina at Chapel Hill, we've been [researching its extent and impact](#), and our findings are troubling. We surveyed 3,234 local-government employees over the past 18 months, and fully 50 percent of them told us that they sometimes do not speak up when they have ideas for improvement. The odds that these same employees were thinking about quitting were nearly four times that of vocal employees. So silence is a morale issue that affects workforce turnover.

How can governments at every level mitigate employee silence? Here is a framework for public administrators:

**Want employee input. Really.** The crucial first step is to examine your own attitudes. Not all managers want employee input. Some say they want it but really do not. The best public managers understand the value of employee input, work systematically to encourage input and have a plan for acting on that input. If you don't fall into this category, you will only demoralize your employees.

**Create formal processes for employee input.** Management by walking around is OK, but it's no substitute for formal processes that elicit and respond to employee input. Some examples include an employee forum, like the one created by the town of Chapel Hill, N.C., to provide regular feedback on workplaces issues, and an employee task force to address pay structures, like the one used by the city of Concord, N.C. Having formal processes in place can also reduce fears of retribution by creating a critical mass of employee voice.

**Follow Up.** When employees come to you with ideas or concerns, do the following:



1. Thankfully acknowledge the idea, suggestion or concern.
2. Outline the next steps (for example, "I will check this out with accounting").
3. Put a timeframe on it ("You will hear back from me within the next two weeks").
4. When you decide, let the employee know what the answer is. "Yes, great idea, thank you." Or "No, but here's why." Or "Not yet, let's revisit this in (specify the timeframe)."

**Train supervisors in employee input.** It is more common for supervisors to be trained in giving employees feedback rather than in receiving it. Such training could include an overview of basic employee input processes such as those described above, role playing on encouraging and responding to input, and an emphasis on the importance of careful language -- being encouraging rather than dismissive.

Overcoming employee silence is a crucial challenge for public organizations. Doing so is a matter of understanding the harms of silence, recognizing the benefits of employee input and having the will to improve your public-sector workplace.

This article was printed from: <http://www.governing.com/gov-institute/voices/col-overcoming-public-employee-silence.html>

# CalPERS increases pay for CIO, CFO

*By Emily Zentner*

The next chief investment officer at the nation's [largest public pension fund](#) will have a shot to earn \$1.77 million in a single year, about 50 percent more than the executive in that post today can collect in wages and bonuses.

CalPERS on Wednesday voted to sweeten the compensation package it offers for two top executives as it sets out to replace outgoing [Chief Investment Officer Ted Eliopoulos](#) and to fill a vacancy at chief financial officer.

Eliopoulos earned \$867,200 last year with \$553,000 in base salary, according to state salary records. The cap on his total pay is about \$1.1 million.

He's the top investment officer overseeing the California Public Employees' Retirement System's \$355 billion portfolio. He's also the highest paid executive at the pension fund.

The CalPERS Board of Administration launched an executive salary survey in 2015 and has been [reconsidering the compensation](#) it offers to top executives since then. It asked consultant Grant Thornton to recommend a new pay range after Eliopoulos in May announced that he would leave CalPERS later this year.

"Our compensation is just too low," board member Richard Costigan said in May. "We're not attracting quality candidates. The quality candidates who want to come here are negatively impacted by the salary levels."

Eliopoulos had a salary range of \$408,000 to \$612,000 and he was eligible to earn a bonus equivalent to 75 percent of his wages.

His successor will be able to earn a salary up to \$707,500 and a bonus equivalent to 150 percent of base wages.

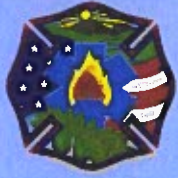
Two members of the CalPERS' Board of Administration, Margaret Brown and Richard Gillihan, voted against increasing the pay package.

A new chief financial officer will be able to earn up to \$507,500. The person selected for that job will be able to earn up to \$362,500 in base wages and a bonus worth 40 percent of salary. The cap of \$507,500 is about \$73,000 more than what was available to previous chief financial officers.

CalPERS has had trouble filling that job over the past year.

It offered it to Gillihan, CalHR director, a year ago, but he could not take the job because he sits on the CalPERS Board of Administration and moving to a staff assignment presented a conflict of interest.

Charles Asubonten held the job from October until May, but left CalPERS after the financial blog Naked Capitalism [raised questions about his](#) résumé and job application.



**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**DATE:** JULY 24, 2018  
**SUBJECT:** COMMENTS, REPORTS AND UPDATES

● **STAFF COMMENTS/REPORTS/UPDATES:**

● **STEPHEN ABBOTT, FIRE CHIEF/CEO:**

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● **CHIEF OFFICERS & STAFF:**

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● **BOARD:**

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● **BARGAINING GROUPS:**

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● **PUBLIC COMMENT:**

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**NORTH COUNTY FIRE  
PROTECTION DISTRICT  
FIRE CHIEF/CEO**

**TO:** BOARD OF DIRECTORS  
**FROM:** STEPHEN ABBOTT, FIRE CHIEF/CEO  
**DATE:** JULY 24, 2018  
**SUBJECT:** CLOSED SESSION

- CS-1. **ANNOUNCEMENT — PRESIDENT MUNSON:**  
➤ *An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.*
- CS-2. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — MANAGEMENT GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
➤ NCFPD MANAGEMENT GROUP **DISTRICT NEGOTIATORS:**  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-3. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — NON-SAFETY GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
➤ FFA NON-SAFETY GROUP NEGOTIATORS **DISTRICT NEGOTIATORS:**  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-4. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — SAFETY GROUP NEGOTIATIONS — CHIEF ABBOTT:**  
➤ FFA SAFETY GROUP NEGOTIATORS **DISTRICT NEGOTIATORS:**  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-5. **CONFERENCE WITH LABOR NEGOTIATOR — GOVERNMENT CODE § 54957.6 — UNREPRESENTED INDIVIDUALS — CHIEF ABBOTT:**  
➤ EXECUTIVE ASSISTANT/BOARD SECRETARY AND FIRE MARSHAL **DISTRICT NEGOTIATORS:**  
CHIEF ABBOTT, DISTRICT COUNSEL JAMES
- CS-6. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE § 54956.8 — CHIEF ABBOTT:**  
➤ PROPERTY LOCATION: 4157 Olive Hill Road — Station 3  
PARTIES: Fallbrook, CA 92028;  
North County Fire Protection District (Seller);  
UNDER NEGOTIATION: Terms of Sale;  
DISTRICT NEGOTIATORS: Chief Abbott, District Counsel James
- CS-7. **CONFERENCE WITH DISTRICT COUNSEL REGARDING PENDING LITIGATION — GOVERNMENT CODE § 54956.9 (D)(4) — DISTRICT COUNSEL JAMES:**  
➤ TO BE DISCUSSED: Whether or not a basis exists for anticipated litigation.  
DISTRICT COUNSEL: District Counsel James
- CS-8. **REPORT FROM CLOSED SESSION — PRESIDENT MUNSON**



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