FIRE PROTECTION CONTRACT

THIS AGREEMENT, is made and entered into this ___1st___ day of ______________, 1992, by and between the CITY OF STOCKTON, 425 North El Dorado Street, Stockton, California, 95202, a Municipal Corporation, hereinafter designated "CITY," and BOGGS TRACT RURAL FIRE PROTECTION DISTRICT, a county fire protection district of the State of California, 619 South Los Angeles Street, Stockton, California, 95203, hereinafter designated "DISTRICT," agree as follows:

1. SERVICES RENDERED BY CITY:

   CITY will provide fire protection and lifesaving services to the entire DISTRICT. Such services shall be provided at an equivalent level to that provided for similar incidents and occupancies within the incorporated area of the CITY.

2. PAYMENT FOR SERVICES:

   a. DISTRICT will pay CITY for the above-mentioned services in an amount determined by dividing the Fire Department budget by the combined assessed values of CITY and DISTRICT, and then multiplying that rate by the assessed value of DISTRICT. The Fire Department budget shall be defined as the cost of providing services for fire protection and life-saving. See Exhibit "A," attached hereto, for mathematical explanation of cost determination.
b. Such cost determination shall be made yearly, changing the rate and the amount charged DISTRICT in accordance with changes in the variables of the formula utilized herein.

c. DISTRICT shall authorize the County Auditor to make payment to CITY in twelve monthly installments, with the first payment due upon the day CITY assumes responsibility under this agreement. Each subsequent payment is due on the same day of the month, each month thereafter. DISTRICT shall take credit against its first payment or payments for the value of the equipment, if any, acquired by CITY. DISTRICT will be considered delinquent in its payment if such payment has not been made within thirty days after the due date.

3. TERM OF AGREEMENT AND TERMINATION PROCEDURES:

a. Either party may terminate this Agreement by giving written notice to the other party under the following circumstances:

1) The Agreement may be terminated without cause by giving written notice five years prior to the date of termination.

2) The Agreement may be terminated for cause by giving written notice six months prior to the date of termination.

3) If CITY terminates this Agreement because DISTRICT has insufficient funds to meet its obligation under this Agreement, CITY shall continue service for a period of
six (6) months. DISTRICT agrees to compensate CITY for costs incurred during such six (6) month period.

b. In the event CITY terminates this Agreement without cause, CITY agrees not to initiate or consider any annexation proposal for any area within the boundaries of DISTRICT until DISTRICT has operated its own department for a period of at least one year. This prohibition shall not extend to any uninhabited area or to any proposal which is initiated by a petition which shall contain the signatures of at least fifty percent of the registered voters in the area proposed to be annexed.

4. WITHHOLDING OF PAYMENT OR SERVICES:

a. DISTRICT may withhold payment for any period during which CITY does not or cannot provide the service contracted for.

b. Notwithstanding the provisions of Section 3 of this Agreement, CITY may withhold services or a portion of services provided under this Agreement during any period that DISTRICT is unable to make payments or is delinquent in making payments to CITY.

c. In the event DISTRICT determines that it is unable to make full payment in accordance with the terms of this Agreement, the parties may mutually agree to reduce services accordingly. Further, in the event DISTRICT determines that it is able to make payment for services in
addition to a prior reduced service level, parties may mutually agree to increase services and payment accordingly.

5. CITY SERVICE TO OTHER FIRE DEPARTMENTS:

As a result of this agreement, CITY is in no way prevented from offering its service to other fire districts. If the terms of such other agreements differ from those extended to DISTRICT, they shall not have the effect of increasing the contract cost of DISTRICT.

6. PURCHASE OF DISTRICT EQUIPMENT:

CITY may offer to buy, at the fair market value, such DISTRICT equipment as it can use. Upon termination of this Agreement, CITY will give DISTRICT an option to purchase equipment of the same quality and functional capacity as that purchased by CITY from DISTRICT. The cost of such equipment will be the then fair market value of the equipment.

7. MAINTENANCE, REPLACEMENT, AND INSTALLATION OF HYDRANTS:

CITY will assume the responsibility for maintenance of all existing hydrants in DISTRICT. DISTRICT shall assume responsibility for replacing or reconnecting existing obsolete or damaged hydrants with standard hydrants conforming to CITY specifications. Installation of additional hydrants to improve the pattern shall be the responsibility of DISTRICT and shall conform to recognized standards. DISTRICT shall maintain a revolving fund of $5,000 to provide adequate funding for hydrant improvements.
8. NOTICE:

All notices herein requested shall be in writing and delivered in person or sent by registered mail, postage prepaid. Notice shall be addressed to the parties as follows:

City Manager
City Hall
425 North El Dorado Street
Stockton, California 95202

Boggs Tract Rural Fire Protection District
619 South Los Angeles Street
Stockton, CA 95203

IN WITNESS WHEREOF, this Agreement has been executed by the respective parties hereto through their respective authorized officers at Stockton, California, the day and year first above written.

CITY OF STOCKTON, a Municipal Corporation

ATTEST:
FRANCES HONG, CITY CLERK

JOAN DARRAH, MAYOR
"CITY"

APPROVED AS TO FORM:
R. THOMAS HARRIS
CITY ATTORNEY

BOGGS TRACT RURAL FIRE PROTECTION DISTRICT, a rural county fire protection district of the State of California

APPROVED AS TO FORM:
COUNTY COUNSEL

"DISTRICT"
EXHIBIT A

FORMULA USED TO DETERMINE TAXATION EQUIVALENT

Cost of Service – City of Stockton:

Fire Department Budget (Account No. 010-2600) = Equivalent Property Tax Rate
Gross Taxable Property Value (City and District Served)

Charge to District for Service:

Equivalent Property Tax Rate × Gross Taxable Property Value = Service Payment of District to City