

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is entered into between the County of Santa Barbara (hereafter referred to as COUNTY FIRE) and the City of Solvang (hereafter referred to as SOLVANG), regarding service in the form of staffing the SOLVANG fire station by COUNTY FIRE effective April 2, 2007

RECITALS

- a. COUNTY FIRE and SOLVANG desire to establish a mutually beneficial working relationship to reduce the emergency response time to fire/life and other all-risk emergencies by staffing the SOLVANG Fire Station (Station 30) with 24 hour a day personnel from COUNTY FIRE.
- b. COUNTY FIRE has expressed willingness to provide fire/life safety protection and fire code enforcement in SOLVANG according to the provisions of this agreement. Both SOLVANG and COUNTY FIRE have expressed a desire to mutually apply for inclusion of SOLVANG to be annexed into the Santa Barbara County Fire Protection District (hereafter referred to as DISTRICT) through the LAFCO process prior to fiscal year 2008-09.
- c. The increased 24-hour a day staffing will enhance emergency service to the greater SOLVANG area for the benefit of the City and surrounding unincorporated area. Staffing will consist of 3 post-positions. (The post positions are constant staffing positions consisting of a Captain, an Engineer and a Firefighter on duty 24 hours a day, 7 days a week, regardless of vacations, illness, holidays etc.)
- d. SOLVANG will financially contribute one third of the cost of staffing, and operating expenses. COUNTY FIRE will contribute the remaining two thirds of the cost to support 24-hour staffing and operating expenses at the SOLVANG fire station. COUNTY FIRE departmental overhead charges are excluded from the cost calculations.

- e. COUNTY FIRE recognizes the goodwill of SOLVANG and appreciates this agreement and the relationship between the parties that will decrease response times in the community and increase public safety, and the safety of the firefighters in the region.

NOW, THEREFORE, in consideration of the mutual promises contained herein, it is agreed by the parties as follows:

1. DESIGNATED REPRESENTATIVES The City Manager of SOLVANG and the COUNTY FIRE Chief are the designated representatives that will administer this MOU.
2. In fiscal year 2006-07 SOLVANG shall pay COUNTY FIRE an amount equal to one third of COUNTY FIRE'S incremental cost to staff the SOLVANG fire station for 14 weeks during the interim period of training fire fighters and one-third of the costs for nine firefighter recruits during the 12 week academy that begins April 9, 2007. This will insure coverage while paid call firefighters are unavailable. This amount is \$167,640. (Exhibit A.)
3. For fiscal year 2007-08 SOLVANG shall pay COUNTY FIRE an amount equal to one third of COUNTY FIRE'S cost of staffing, services and supplies. This amount is \$577,000. This amount shall be adjusted annually based on COUNTY FIRE'S budgeted salary and benefits costs of the post positions and related services and supplies, and operating expenses. (Exhibit B) COUNTY FIRE's departmental overhead costs are excluded and apparatus replacement is based upon a 20 year cycle. The parties will review this cost annually during the preparation of COUNTY FIRE budget. This adjustment will continue until SOLVANG is annexed into the DISTRICT as delineated in paragraph 5. Staffing will remain at three post positions unless a change is mutually agreed upon in writing by SOLVANG AND COUNTY FIRE.
4. During this contract COUNTY FIRE shall bill SOLVANG on a quarterly basis for the amount agreed upon as per item 3 above. SOLVANG shall pay the quarterly bill within 30 days of receipt.
5. SOLVANG and COUNTY FIRE will jointly apply to LAFCO on or before July 1, 2007 for the purpose of annexing SOLVANG into the DISTRICT prior to or coinciding with fiscal year 2008-09. Once SOLVANG is annexed to the DISTRICT, the cost of providing

services by COUNTY FIRE will be funded by the corresponding property tax apportionment. This will not raise property taxes but will have a stabilizing affect on revenues.

6. COUNTY FIRE agrees that it is the highest priority within the Santa Ynez Valley to refill the SOLVANG fire station with firefighters when the SOLVANG fire company is engaged at extended incidents.
7. On or before July 1, 2007, SOLVANG and COUNTY FIRE will jointly apply to the Insurance Service Organization (ISO) for the purpose of seeking readjustment of the current low fire insurance rating for SOLVANG, which had been based upon paid call staffing
8. COUNTY FIRE will serve as the SOLVANG fire department. COUNTY FIRE will direct, administer, manage, and insure the mandatory training of the firefighters, and will be responsive to requests from the City Manager and City Council in areas of service, response to inquiries, citizen needs, and customer service.
9. COUNTY FIRE will lease the fire station and upstairs living and training quarters from SOLVANG for one dollar (\$1.00) each fiscal year. COUNTY FIRE will be responsible for the care and maintenance of the interior portion of the building described as fire Station 30 and the exterior apron (cement drive way leading from the apparatus floor to the street. COUNTY FIRE will also pay 55% of utilities including water, sewer, electricity, natural gas, appropriate property insurance, and trash for use of the leased portion of the building. COUNTY FIRE will pay bills within 30 days of receipt. SOLVANG shall be solely responsible for the costs of repairing and maintaining the exterior of Station 30 and ensure property insurance is maintained. This lease agreement will continue and remain in effect, after SOLVANG is annexed to the DISTRICT.
10. COUNTY FIRE will pay for the upgraded remodeling of the living quarters. These improvements will satisfy state and federal requirements for privacy areas in dorms and restrooms. SOLVANG will cooperate in approving these improvements and seek community donation for materials.
11. COUNTY FIRE will utilize existing fire fighting equipment from SOLVANG (Exhibit C). If additional equipment is needed, COUNTY FIRE will purchase the equipment.
12. SOLVANG maintains the first right of disposal of their existing equipment if the equipment is not needed and becomes excess property before April 1, 2008.

13. COUNTY FIRE shall perform all inspections and enforcement of the California Fire Code and plans review at no additional cost to SOLVANG. The established fee schedule of COUNTY FIRE will be utilized. SOLVANG agrees that having two different sets of fee schedules would be unduly burdensome to County Fire. SOLVANG commits to reviewing its fees and adopting an appropriate resolution conforming fees by COUNTY FIRE in the SOLVANG limits to those cost recovery fees already adopted by COUNTY FIRE.
14. SOLVANG will pass through existing monies collected from vehicle replacement to COUNTY FIRE to be used exclusively for future fire engine replacement at the Solvang fire Station. This amount is \$105,000.
15. SOLVANG will pass through any annual revenues from AMR for the emergency response within SOLVANG.
16. Dwight Pepin the current fire chief of SOLVANG will be employed by COUNTY FIRE as a fire Captain. Chief Pepin will be credited with 4.5 years seniority for purposes of lay-off calculation and vacation benefits in accordance with Section 15 of the Santa Barbara Firefighters Local 2046 MOU. Dwight Pepin's transfer to COUNTY FIRE will be effective April 9, 2007. Chief Pepin will be "Y"-rated at his current salary which is \$44.33/hour. This amount will remain unchanged until top step Captain equals his "Y" rated salary. At that time, the salary will be commensurate with MOU salary agreements. Chief Pepin's transfer will be contingent upon passing a standard firefighter medical exam. Chief Pepin will serve a 6-month probation. He will be permanently assigned to the fire prevention division as a full time fire Captain.
17. Mike Young, a current Captain of SOLVANG, will be employed by COUNTY FIRE as a regular Firefighter with no credit for seniority. Mike Young will be employed as a regular Firefighter step "D" serving 6 months probation. Mike Young's employment will be contingent upon passing a physical abilities test (CPAT), firefighter's post offer medical exam, background investigation and completion of the training academy. Upon completing 6 months probation, beginning April 9, 2007 with a "Satisfactory or better rating, he will be upgraded to step "E. Mike Young will have the right to transfer back to Station 30, within 30 days following the completion of his probation.
18. Paid call firefighters Egan De Los Cobos, Andrew Wedel, and Travis Simmons will be employed by COUNTY FIRE contingent upon passing a physical fitness exam (CPAT),

firefighter's post-offer psychological exam, medical exam, background investigation and completion of the training academy beginning April 9, 2007. Each of these three will serve a one-year probation and begin as a regular Firefighter Trainee. Probation begins April 9, 2007. Upon completion of the training academy each will be upgraded to a Firefighter step "A".

19. Subject to the provisions of paragraph 5, this Agreement shall remain in effect, commencing on March 25, 2007. Thereafter, unless terminated by either party, this Agreement shall automatically renew for an additional one-year term. The annual renewal will continue until terminated by either party.
20. Either party may terminate this Agreement by giving the other party twelve (12) month's advance written notice; provided, however, that in the event that SOLVANG or COUNTY FIRE experiences severe financial hardships resulting in cutbacks or layoffs, either party may terminate this Agreement by giving six (6) month's advance notice. In the event of termination of this Agreement neither party shall be entitled to any refund of money for any reason or any reconveyance or return of any property, real or personal, unless subject to a separate agreement or arrangement between the parties. Notwithstanding the foregoing, in the event that this agreement is terminated prior to annexation, COUNTY will return to SOLVANG, all apparatus and equipment listed in the attached schedules in the same condition it was received less reasonable wear and tear and vehicle replacement funding provided by SOLVANG.
21. Notice under this Agreement shall be sent to the following:

SANTA BARBARA COUNTY FIRE
County Fire Chief
4410 Cathedral Oaks Road
Santa Barbara, CA 93110-1042

CITY OF SOLVANG
Attn: City Manager
1644 Oak Street
Solvang, California, 93463

22. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is

sought. No waiver of any right or remedy in respect to any occurrence or event shall be deemed a waiver of any right or remedy in respect to any other occurrence or event.

23. COUNTY FIRE is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of SOLVANG. COUNTY FIRE shall have no authority to bind SOLVANG in any matter or to incur any obligation, debt or liability of any kind on behalf of or against SOLVANG whether by contract or otherwise unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by SOLVANG
24. Neither COUNTY FIRE nor any of COUNTY FIRE'S officers, employees or agents shall obtain any rights to retirement, health care, or any other benefit which may otherwise accrue to SOLVANG'S employees. COUNTY FIRE expressly waives any claims COUNTY FIRE may have for such rights.
25. COUNTY FIRE shall keep itself informed of and comply with all applicable federal, state and local laws, statues, codes, ordinances, regulations, and rules that are in effect during the term of this Agreement. Neither SOLVANG, nor any elected or appointed boards, officers, officials, employees or agents of SOLVANG shall be liable at law or in equity as a result of any failure of COUNTY FIRE to comply with this section
26. SOLVANG and its respective, elected, and appointed boards, officials, officers, agents, employees and volunteers (individually and collectively "INDEMNITEES") shall have no liability to COUNTY FIRE or any other person for and COUNTY FIRE shall indemnify, defend, protect and hold harmless INDEMNITEES from and against, any and all liabilities, claims, actions, causes of actions, proceedings, suits, damages, judgments, liens, levies, costs from expenses, including reasonable attorney's fees and disbursements, which INDEMNITEES may suffer, incur, or to which INDEMNITEES may become subject by reason of or arising out of any injury to or death of any person(s); damage to property, loss of use of property, economic loss or otherwise occurring as a result of COUNTY FIRE'S negligent performance of or failure to perform any service under this Agreement.
27. The person or persons executing this Agreement on behalf of COUNTY FIRE and SOLVANG represent and warrant that he/she/they has/have the authority to so execute this Agreement and to bind that party to the performance of its obligations hereunder.

Agreement between COUNTY FIRE and SOLVANG

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on
April 2, 2007.

COUNTY OF SANTA BARBARA
CHAIR, BOARD OF SUPERVISORS

CITY OF SOLVANG
KEN PALMER
MAYOR

By Bruce Finstrom Dated 3-27-07

By Ken Palmer Dated 3/27/07

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CITY ATTORNEY OF SOLVANG
ROY HANLEY

By Robert Cohen Dated 3-27-07
Deputy Clerk

By Roy Hanley Dated 3-26-07

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGEMENT

By Jim Geis Dated 3/23/07

By Ray Aromatorio Dated 3/23/07

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, C. P.A.
AUDITOR-CONTROLLER

By Robert W. Geis Dated 3-23-07