

**SLEEPY HOLLOW FIRE PROTECTION DISTRICT**

**STAFF REPORT**

To: District Board Members

From: Thomas J. Finn, District Director/Secretary, as Staff

Date: for October 29, 2024 Special Meeting

Subject: Proposed Funding Contribution to Station 20 Renovation Project

---

**RECOMMENDATION:** Staff is recommending the following actions:

1. Adopt a Resolution approving (a) the District's contribution of funding of up to \$1.5 million to the Town of San Anselmo's *Fire Station 20 Design, Repair, and Renovation Project* (the "Project"), and (b) the District strategy for contributing funding to the Project subject to the execution of a definitive agreement on terms acceptable to both Parties; and
  2. Authorize the Board Secretary to take all actions, on behalf of District, to negotiate on the District's behalf such a definitive agreement to be presented to the Board for review and approval when finalized.
- 

**BACKGROUND**

The Town of San Anselmo (the "Town") owns and, together with the Ross Valley Fire Department Joint Powers Authority (the "Authority") and the Ross Valley Fire Department (the "RVFD"), operates a full-service fire station located at 150 Butterfield Road in San Anselmo ("Station 20") providing fire suppression, emergency medical, and rescue services to the District and to other Members of the Authority.

On October 11, 2023, the Authority's Board of Directors unanimously authorized an increase to RVFD staffing to three-person engine companies effective July 1, 2025 in conjunction with the scheduled closure of RVFD Station 18 located in the Town of Ross. The staffing increase and the closure of Station 18 necessitate that certain modifications and improvements be made to Station 20 (collectively, the "Upgrades") to accommodate the increased personnel and additional apparatus to be stationed there, and to ensure that the useful life of Station 20 is extended for a significant number of years.

On October 22, 2024, the Town Council authorized the Town to award to the lowest responsible bidder a contract to implement, accomplish, and deliver the completed Project. The Town has requested that the District assist in funding the Project by making payments to the Town in the form of cash contributions to be utilized exclusively for construction of the

Upgrades. The District has indicated its willingness to agree to the Town's request, subject to the execution of a definitive agreement on terms acceptable to both the District and the Town (collectively, the "Parties"), which agreement shall include as essential term that, as between the Parties, (1) the Town will be exclusively and solely responsible and fully liable for the implementation, accomplishment, and delivery of the completed Project, and (2) the District will have no responsibility whatsoever for the Project (the "Agreement"). As currently contemplated, pursuant to the Agreement:

- (1) The Town shall construct and deliver the Upgrades in accordance with an Approved Budget and the Project Execution Plan; (2) the Authority shall purchase and commission into service a new RVFD four-wheel drive response vehicle to be accommodated and based at Station 20; and (3) the Town shall provide assurances regarding the manner in which the Town, the Authority, and the RVFD shall continue to operate and maintain Station 20; and
- In exchange for the Town's promises and obligations, and subject to the terms and conditions of the Agreement, the District is willing to make certain cash contributions in an aggregate amount not to exceed \$1,500,000.00) for the sole and exclusive purpose of facilitating construction of the Upgrades in accordance with the Approved Budget and the Project Execution Plan. Each Contribution shall be paid by the District subject to the Town's achievement of a specified corresponding Milestone set forth in the Project Execution Plan.
- Concurrently with the execution of the Agreement, and as a condition and inducement to the District's willingness to enter the Agreement, the Authority shall expressly approve and consent to the terms of the Agreement.

## **ANALYSIS**

The Board should made written findings supported by substantial evidence that the Contributions (1) are appropriate, necessary, convenient, and advisable to enhance and extend for a significant number of years the continuous, critical operation of Station 20 for the benefit of the District and District residents, and (2) serve a direct and substantial public purpose within the District's subject matter jurisdiction notwithstanding Station 20's location outside the District's territorial jurisdiction.

The Board should then authorize the Board Secretary to take all actions, on behalf of District, to negotiate the Agreement on the District's behalf to be presented to the Board for review and approval when finalized.

Please let me know if you have any questions or concerns.