

**MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
OCCIDENTAL COMMUNITY SERVICES DISTRICT**

This Agreement is made and entered into as of January 14th, 2025 (“Effective Date”) by and between the County of Sonoma, a political subdivision of the State of California, and Occidental Community Services District, hereinafter referred to as “COUNTY” and the “FIRE AGENCY”, and collectively as “the Parties.”

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (hereinafter “the Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout Sonoma County; and

WHEREAS, the County of Sonoma is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the Sonoma County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County of Sonoma and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant FIRE AGENCY’S historical proportional allocation to fire related services and establishes a baseline maintenance of effort requirement that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County of Sonoma and Recipients shall establish existing revenue used to fund existing personnel in order to establish the baseline for measuring compliance with the

requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for additional personnel; and

WHEREAS, the County of Sonoma and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, COUNTY and FIRE AGENCY do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by FIRE AGENCY is one and sixty-one hundredths percent (1.61%), to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor fire agency of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. COUNTY shall distribute the sales tax proceeds to FIRE AGENCY on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
October – December proceeds will be distributed by the 10th of March;
January – March proceeds will be distributed by the 10th of June;
April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from COUNTY to FIRE AGENCY per the Ordinance and this Agreement will be the by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant FIRE AGENCY’S historical general fund contribution for providing fire related services. The proportional allocation to determine maintenance of effort is FIRE AGENCY’S baseline operating budget for Fiscal Year 2021-2022, which includes ad valorem property taxes, parcel taxes or any other taxes and/or fees in support of the operating cost for providing fire related services but excluding limited term funds such as capital projects, grants, grant matches or other one-time revenues, will be reported on the FIRE AGENCY’S Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth FIRE AGENCY’S proportional allocation. If the proportional allocation to FIRE AGENCY in any subsequent fiscal year is materially less than the FY 21/22 allocation, then the jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement.

5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, as provided in the operating budget for Fiscal Year 2021-2022, FIRE AGENCY'S annual existing revenues used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds shall only be used to pay for additional personnel will be reported on the FIRE AGENCY's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth FIRE AGENCY's baseline personnel funding.
6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), FIRE AGENCY may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of FIRE AGENCY'S annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by FIRE AGENCY not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If FIRE AGENCY receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, FIRE AGENCY shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure.
10. Audit authority of Oversight Committee. Subject to Sections 12-67(C) and 12-67(D) of the Ordinance, the Oversight Committee shall have the authority to audit the receipt and expenditures as set forth in the annual reports submitted by Recipients.

11. Over Allocation. If COUNTY over allocates funds to FIRE AGENCY for any reason, FIRE AGENCY agrees to return the amount of such over allocation to COUNTY to be re-allocated per Section 12-66(D).

12. County Costs. As provided in Section 12-66(C)(5), the Parties agree COUNTY is authorized to allocate funds collected pursuant to the Ordinance to pay for expenses incurred which relate to the implementation of the tax, including payments necessary for the operation of the Oversight Committee and Ordinance reporting. The Parties further agree that any costs that exceed the County of Sonoma ACTTC Administrative Fee allocation as set forth in Section 12-66(D) shall be removed from the total tax proceeds prior to distribution of funds to all respective agencies.

13. Indemnification. FIRE AGENCY shall defend, indemnify and hold harmless COUNTY, its officers, officials, and employees, from and against any and all demands, claims, actions, litigation or other proceedings, liability, damages and costs (including but not limited to attorney fees), that arise out of, pertain to or relate in whole or in part to COUNTY'S obligations under this agreement, excepting only matters that are based upon the County's gross negligence or willful misconduct.

14. Notices. Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or register mail, return receipt requested. to the addresses set forth below, or to such addresses which may be specified in writing to the parties hereto.

TO FIRE AGENCY: Occidental Community Services District
 3821 Bohemian Highway
 Occidental, CA 95421

TO COUNTY: County of Sonoma
 Auditor-Controller-Treasurer-Tax Collector
 585 Fiscal Drive, #100
 Santa Rosa, CA 95403

15. Additional Acts and Documents. Each party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purpose of this Agreement.

16. Integration. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.

17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the COUNTY or FIRE AGENCY as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.
22. Limitations
 - a. All obligations of COUNTY under the terms of this Agreement are expressly subject to COUNTY'S continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason COUNTY'S right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, COUNTY shall promptly notify FIRE AGENCY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of COUNTY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of COUNTY under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.


- b. All obligations of FIRE AGENCY under the terms of this Agreement are expressly subject to FIRE AGENCY's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason FIRE AGENCY's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, FIRE AGENCY shall promptly notify COUNTY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of FIRE AGENCY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of FIRE AGENCY under all outstanding contracts, agreements to other obligations of FIRE AGENCY, of funds for such purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA

OCCIDENTAL COMMUNITY SERVICES DISTRICT

By: _____
Board of Supervisors, Chairperson

By: 

ATTEST:

By: _____
Clerk of the Board of Supervisors

By: 

APPROVED AS TO LEGAL FORM

FOR COUNTY:

FOR FIRE AGENCY:

County Counsel

Counsel

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, "The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance" (the "Ordinance").

Name of Agency receiving Measure H funds: _____

Reporting period: FY 24-25 (4/26/24 to 6/30/25 (with April-June proceeds received 9/10/25))

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ _____; FY 21-22 ____%; this reporting period: \$ _____; ____%.

Personnel expenditures: FY 21-22 \$ _____; this reporting period \$ _____.

6. Any material changes in service needs within the agency's jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.

**MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
THE CITY OF ROHNERT PARK**

This Agreement is made and entered into as of January 28, 2025 (“Effective Date”) by and between the County of Sonoma (“County”) and the City of Rohnert Park (“City”) (collectively, “Parties”).

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (“Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout the County; and

WHEREAS, the County is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant the City’s historical proportional allocation to fire related services and establishes a baseline maintenance of effort requirement that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County and Recipients shall establish existing revenue used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for additional personnel; and

WHEREAS, the County and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, the County and the City do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by the City is five and one-half percent (5.5%), to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. The County shall distribute the sales tax proceeds to the City on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
October – December proceeds will be distributed by the 10th of March;
January – March proceeds will be distributed by the 10th of June; and
April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from the County to the City per the Ordinance and this Agreement will be the by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant the City’s historical general fund contribution for providing fire related services. The proportional allocation to determine maintenance of effort is the City’s baseline operating budget for Fiscal Year 2021-2022, which includes ad valorem property taxes, parcel taxes or any other taxes and/or fees in support of the operating cost for providing fire related services, but excludes limited term funds such as capital projects, grants, grant matches or other one-time revenues, will be reported on the City’s Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth the City’s proportional allocation. If the proportional allocation to the City in any subsequent fiscal year is materially less than the Fiscal Year 2021-2022 allocation, then the jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement.
5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, as provided in the operating budget for Fiscal Year 2021-2022, the City’s annual existing

revenues used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds shall only be used to pay for additional personnel will be reported on the City's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth the City's baseline personnel funding.

6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), the City may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of the City's annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used.
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by the City not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If the City receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, the City shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure and make available as soon as practicable to each Party.
10. Audit authority of Oversight Committee. Subject to Sections 12-67(C) and 12-67(D) of the Ordinance, the Oversight Committee shall have the authority to audit the receipt and expenditures as set forth in the annual reports submitted by Recipients.
11. Over Allocation. If the County over allocates funds to the City for any reason, then the City agrees to return the amount of such over allocation to COUNTY to be re-allocated per Section 12-66(D).

12. County Costs. As provided in Section 12-66(C)(5), the Parties agree the County is authorized to allocate funds collected pursuant to the Ordinance to pay for expenses incurred which relate to the implementation of the tax, including payments necessary for the operation of the Oversight Committee and Ordinance reporting. The Parties further agree that any costs that exceed the County of Sonoma ACTTC Administrative Fee allocation as set forth in Section 12-66(D) shall be removed from the total tax proceeds prior to distribution of funds to all respective agencies.
13. Indemnification. The City shall defend, indemnify and hold harmless the County, its officers, officials, and employees, from and against any and all demands, claims, actions, litigation or other proceedings, liability, damages and costs (including but not limited to attorney fees), that arise out of, pertain to or relate in whole or in part to the County's obligations under this agreement, excepting only matters that are based upon the County's gross negligence or willful misconduct.
14. Notices. Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or register mail, return receipt requested, to the addresses set forth below, or to such addresses which may be specified in writing to the parties hereto.

TO CITY: City of Rohnert Park
Finance Director
130 Avram Avenue
Rohnert Park, CA 94928

TO COUNTY: County of Sonoma
Auditor-Controller-Treasurer-Tax Collector
585 Fiscal Drive, #100
Santa Rosa, CA 95403

15. Additional Acts and Documents. Each party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purpose of this Agreement.
16. Integration. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.
17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.

18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the County or the City as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the Parties.
22. Limitations.
 - a. All obligations of the County under the terms of this Agreement are expressly subject to the County's continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason the County's right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, the County shall promptly notify the City, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of the County to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of the County under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.
 - b. All obligations of the City under the terms of this Agreement are expressly subject to the City's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason the City's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, the City shall promptly notify the County, and the


parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of the City to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of the City under all outstanding contracts, agreements to other obligations of the City, of funds for such purposes.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA

CITY OF ROHNERT PARK

By: _____
Board of Supervisors, Chairperson


Marcela Piedra, City Manager

ATTEST:

By: _____
Clerk of the Board of Supervisors


Sylvia Lopez Cuevas, City Clerk

APPROVED AS TO LEGAL FORM

FOR COUNTY:

County Counsel

FOR CITY:



Michelle Marchetta Kenyon, City Attorney

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, "The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance" ("Ordinance").

Name of Agency receiving Measure H funds: _____

Reporting period: FY 24-25 (4/26/24 to 6/30/25 (with April-June proceeds received 9/10/25))

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ _____; FY 21-22 _____%; this reporting period: \$ _____; _____%.

Personnel expenditures: FY 21-22 \$ _____; this reporting period \$ _____.

6. Any material changes in service needs within the agency's jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.

**MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
CITY OF SEBASTOPOL**

This Agreement is made and entered into as of _____ (“Effective Date”) by and between the County of Sonoma, a political subdivision of the State of California, and City of Sebastopol, hereinafter referred to as “COUNTY” and the “FIRE AGENCY”, and collectively as “the Parties.”

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (hereinafter “the Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout Sonoma County; and

WHEREAS, the County of Sonoma is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the Sonoma County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County of Sonoma and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant FIRE AGENCY’S historical proportional allocation to fire related services and establishes a baseline maintenance of effort requirement that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County of Sonoma and Recipients shall establish existing revenue used to fund existing personnel in order to establish the baseline for measuring compliance with the

requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for additional personnel; and

WHEREAS, the County of Sonoma and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, COUNTY and FIRE AGENCY do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by FIRE AGENCY is one and eight tenths percent (1.8%), to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor fire agency of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. COUNTY shall distribute the sales tax proceeds to FIRE AGENCY on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
October – December proceeds will be distributed by the 10th of March;
January – March proceeds will be distributed by the 10th of June;
April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from COUNTY to FIRE AGENCY per the Ordinance and this Agreement will be the by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant FIRE AGENCY’S historical general fund contribution for providing fire related services. The proportional allocation to determine maintenance of effort is FIRE AGENCY’S baseline operating budget for Fiscal Year 2021-2022, which includes ad valorem property taxes, parcel taxes or any other taxes and/or fees in support of the operating cost for providing fire related services but excluding limited term funds such as capital projects, grants, grant matches or other one-time revenues, will be reported on the FIRE AGENCY’s Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth FIRE AGENCY’s proportional allocation. If the proportional allocation to FIRE AGENCY in any subsequent fiscal year is materially less than the FY 21/22 allocation, then the jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement.

5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, as provided in the operating budget for Fiscal Year 2021-2022, FIRE AGENCY'S annual existing revenues used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds shall only be used to pay for additional personnel will be reported on the FIRE AGENCY's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth FIRE AGENCY's baseline personnel funding.
6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), FIRE AGENCY may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of FIRE AGENCY'S annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by FIRE AGENCY not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If FIRE AGENCY receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, FIRE AGENCY shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure.
10. Audit authority of Oversight Committee. Subject to Sections 12-67(C) and 12-67(D) of the Ordinance, the Oversight Committee shall have the authority to audit the receipt and expenditures as set forth in the annual reports submitted by Recipients.

11. Over Allocation. If COUNTY over allocates funds to FIRE AGENCY for any reason, FIRE AGENCY agrees to return the amount of such over allocation to COUNTY to be re-allocated per Section 12-66(D).
12. County Costs. As provided in Section 12-66(C)(5), the Parties agree COUNTY is authorized to allocate funds collected pursuant to the Ordinance to pay for expenses incurred which relate to the implementation of the tax, including payments necessary for the operation of the Oversight Committee and Ordinance reporting. The Parties further agree that any costs that exceed the County of Sonoma ACTTC Administrative Fee allocation as set forth in Section 12-66(D) shall be removed from the total tax proceeds prior to distribution of funds to all respective agencies.
13. Indemnification. FIRE AGENCY shall defend, indemnify and hold harmless COUNTY, its officers, officials, and employees, from and against any and all demands, claims, actions, litigation or other proceedings, liability, damages and costs (including but not limited to attorney fees), that arise out of, pertain to or relate in whole or in part to COUNTY'S obligations under this agreement, excepting only matters that are based upon the County's gross negligence or willful misconduct.
14. Notices. Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or register mail, return receipt requested. to the addresses set forth below, or to such addresses which may be specified in writing to the parties hereto.

TO FIRE AGENCY: City of Sebastopol
 7120 Bodega Avenue
 P.O. Box 1776
 Sebastopol, CA 95473-1776

TO COUNTY: County of Sonoma
 Auditor-Controller-Treasurer-Tax Collector
 585 Fiscal Drive, #100
 Santa Rosa, CA 95403

15. Additional Acts and Documents. Each party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purpose of this Agreement.
16. Integration. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.

17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the COUNTY or FIRE AGENCY as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.
22. Limitations
 - a. All obligations of COUNTY under the terms of this Agreement are expressly subject to COUNTY'S continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason COUNTY'S right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, COUNTY shall promptly notify FIRE AGENCY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of COUNTY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of COUNTY under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.

- b. All obligations of FIRE AGENCY under the terms of this Agreement are expressly subject to FIRE AGENCY’s continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason FIRE AGENCY’s right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, FIRE AGENCY shall promptly notify COUNTY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of FIRE AGENCY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of FIRE AGENCY under all outstanding contracts, agreements to other obligations of FIRE AGENCY, of funds for such purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA


CITY OF SEBASTOPOL

By: _____
Board of Supervisors, Chairperson

B  _____
Don Schwartz, City Manager

ATTEST:

By: _____
Clerk of the Board of Supervisors

By  _____
Mary C. Gourley, ACM/City Clerk

APPROVED AS TO LEGAL FORM

FOR COUNTY:

FOR FIRE AGENCY:

County Counsel


 _____
Alex Mog, City Attorney

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance” (the “Ordinance”).

Name of Agency receiving Measure H funds: _____

Reporting period: FY 24-25 (4/26/24 to 6/30/25 (with April-June proceeds received 9/10/25))

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ _____; FY 21-22 ____%; this reporting period: \$ _____; ____%.

Personnel expenditures: FY 21-22 \$ _____; this reporting period \$ _____.

6. Any material changes in service needs within the agency’s jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.

MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
THE CITY OF SANTA ROSA

This Agreement is made and entered into as of _____ (“Effective Date”) by and between the County of Sonoma, a political subdivision of the State of California, and the City of Santa Rosa, a California municipal corporation and charter city, hereinafter referred to as “COUNTY” and the “CITY”, and collectively as “the Parties.”

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (hereinafter “the Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout Sonoma County; and

WHEREAS, the County of Sonoma is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the Sonoma County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County of Sonoma and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant CITY’S general fund contribution in support of the operating costs for providing fire related services and establishes a proportional allocation for maintenance of effort that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County of Sonoma and Recipients shall establish existing revenue used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement

that sales tax proceeds generated by the Ordinance shall only be used to pay for the purposes authorized in Section 12-66(B) and (C) of the Ordinance, which include recruitment of additional personnel, and also retention of existing personnel; and

WHEREAS, the County of Sonoma and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, COUNTY and CITY do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by CITY is fourteen and four tenths percent (14.40%) to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor fire agency of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. COUNTY shall distribute the sales tax proceeds to CITY on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
 October – December proceeds will be distributed by the 10th of March;
 January – March proceeds will be distributed by the 10th of June;
 April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from COUNTY to CITY per the Ordinance and this Agreement will be by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant CITY's historical general fund contribution for providing fire related services. The proportional allocation to determine CITY's **required** maintenance of effort is determined by the CITY'S Fiscal Year 2021-22 historical general fund contribution originating from ad-valorem taxes and/or fees in support of the operating (non-capital project or limited-term expenses) cost for providing fire related services ("**Baseline Allocated Fire Services Operating Costs**") as a percent of CITY's baseline operating budget for Fiscal Year 2021-22, excluding limited term funds such as funds for capital projects, grant proceeds, grant matching funds or other one-time funds ("**Proportional Allocation**"). If the Proportional Allocation to CITY in any subsequent fiscal year is materially less than the Fiscal Year 2021-22 allocation, then the jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement. **The CITY's Baseline Allocated Fire Services Operating Costs in Fiscal Year 2021-22 was \$35,516,543. equating to a**

Proportional Allocation of 22.1percent (22.1 %). This information will be reported in CITY's Annual Report in Exhibit A. The Parties may execute an Amendment to this Funding Agreement prior to the submission of the Annual Report to set forth CITY's Proportional Allocation.

5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, in order to establish the baseline amount for measuring compliance with the requirement that Ordinance proceeds used for personnel costs (other than permitted use for local firefighter retention in accordance with Section 12-66 of the Ordinance) shall only be used to pay for additional personnel, the CITY's baseline operating budget for Fiscal Year 2021-2022 allocated in support of existing personnel costs for providing fire related services which allocated revenues including proceeds from ad valorem property taxes, parcel taxes or any other taxes and/or fees so allocated, but excluding limited term funds such as grant proceeds, or other one-time revenues, was \$30,720,090.
6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), CITY may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of CITY'S **annual allocation** and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used.
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by CITY not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If CITY receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, CITY shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the COUNTY, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure and make available as soon as practicable to each Party.

16. Integration. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.
17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of **either Party's** agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the COUNTY or CITY as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.
22. Limitation.
 - a. All obligations of COUNTY under the terms of this Agreement are expressly subject to **COUNTY'S continued authorization to collect and** allocate the sales tax proceeds generated by the Ordinance. **If for any reason COUNTY'S right to collect or expend such sales tax proceeds** is terminated, suspended, or modified, in whole or in part, COUNTY shall promptly notify CITY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of COUNTY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of COUNTY under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.


b. All obligations of CITY under the terms of this Agreement are expressly subject to CITY's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason CITY's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, CITY shall promptly notify COUNTY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of CITY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of CITY under all outstanding contracts, agreements to other obligations of CITY, of funds for such purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA

CITY OF SANTA ROSA

By: _____
Board of Supervisors, Chairperson


By: [Mark Stapp \(Feb 6, 2025 07:03 PST\)](#)
Mayor

ATTEST:

By: _____
Clerk of the Board of Supervisors



City Clerk

APPROVED AS TO LEGAL FORM

FOR COUNTY:

FOR CITY:

County Counsel



City Attorney

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, “**The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance**” (the “**Ordinance**”).

Name of Agency receiving Measure H funds: _____

Reporting period:

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ 35,516,543; FY 21-22 22.1%; this reporting period: \$ _____; ____%.

Personnel expenditures: FY 21-22 \$30,720,090; this reporting period \$ _____.

6. Any material changes in service needs within the **agency's** jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.



MH Funding Agreement

Final Audit Report

2025-02-06

Created:	2025-02-05
By:	Shelley McClure (smcclure@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIJIE_IXZ5dBltgD9C9RAqbreEfuKvf6

"MH Funding Agreement" History

-  Document created by Shelley McClure (smcclure@srcity.org)
2025-02-05 - 5:26:43 PM GMT
-  Document emailed to Teresa Stricker (tstricker@srcity.org) for signature
2025-02-05 - 5:27:26 PM GMT
-  Document e-signed by Teresa Stricker (tstricker@srcity.org)
Signature Date: 2025-02-06 - 2:04:46 AM GMT - Time Source: server
-  Document emailed to mstapp@srcity.org for signature
2025-02-06 - 2:04:48 AM GMT
-  Email viewed by mstapp@srcity.org
2025-02-06 - 3:02:19 PM GMT
-  Signer mstapp@srcity.org entered name at signing as Mark Stapp
2025-02-06 - 3:02:58 PM GMT
-  Document e-signed by Mark Stapp (mstapp@srcity.org)
Signature Date: 2025-02-06 - 3:03:00 PM GMT - Time Source: server
-  Document emailed to Dina Manis (dmanis@srcity.org) for signature
2025-02-06 - 3:03:02 PM GMT
-  Email viewed by Dina Manis (dmanis@srcity.org)
2025-02-06 - 4:01:46 PM GMT
-  Document e-signed by Dina Manis (dmanis@srcity.org)
Signature Date: 2025-02-06 - 4:02:28 PM GMT - Time Source: server
-  Agreement completed.
2025-02-06 - 4:02:28 PM GMT

MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
CITY OF SONOMA

This Agreement is made and entered into as of _____ (“Effective Date”) by and between the County of Sonoma, a political subdivision of the State of California, and City of Sonoma, a California municipal corporation and general law city, hereinafter referred to respectively as “COUNTY” and the “CITY”, and collectively as “the Parties.”

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (hereinafter “the Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout Sonoma County; and

WHEREAS, the County of Sonoma is charged with a fiduciary duty in administrating the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the Sonoma County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County of Sonoma and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant CITY’S historical general fund contribution in support of the operating costs for providing fire related services and establishes a baseline for maintenance of effort requirement that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County of Sonoma and Recipients shall establish existing revenue used to fund

existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for the expenditures authorized in Section 12-66(B) and (C) of the Ordinance, which include recruitment of additional personnel and retention of existing personnel; and

WHEREAS, the County of Sonoma and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, COUNTY and CITY do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by CITY is one and eighteen hundredths percent (1.18%), to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor fire agency of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. COUNTY shall distribute the sales tax proceeds to CITY on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
October – December proceeds will be distributed by the 10th of March;
January – March proceeds will be distributed by the 10th of June;
April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from COUNTY to CITY per the Ordinance and this Agreement will be by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant CITY'S historical general fund contribution for providing fire related services. The CITY'S proportional allocation to determine maintenance of effort is CITY'S baseline operating budget for Fiscal Year 2021-2022, which includes ad valorem property taxes, parcel taxes or any other taxes and/or fees in support of the operating cost for providing fire related services but excluding limited term funds such as capital projects, grants, grant matches or other one-time revenues, will be reported on the CITY's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth CITY's proportional allocation. If the proportional allocation to CITY in any subsequent fiscal year is materially less than the FY 21/22 allocation, then the

jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement.

5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, as provided in the operating budget for Fiscal Year 2021-2022, CITY'S annual existing revenues used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds shall only be used to pay for additional personnel will be reported on the CITY's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth CITY's baseline personnel funding.
6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), CITY may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by its legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of CITY'S annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used.
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by CITY not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If CITY receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, CITY shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure.
10. Audit authority of Oversight Committee. Subject to Sections 12-67(C) and 12-67(D) of the Ordinance, the Oversight Committee shall have the authority to audit the receipt and expenditures as set forth in the annual reports submitted by Recipients.

17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all Parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the COUNTY or CITY as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the Parties.
22. Limitations
 - a. All obligations of COUNTY under the terms of this Agreement are expressly subject to COUNTY'S continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason COUNTY'S right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, COUNTY shall promptly notify CITY, and the Parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the Parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of COUNTY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of COUNTY under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.

- b. All obligations of CITY under the terms of this Agreement are expressly subject to CITY's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason CITY's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, CITY shall promptly notify COUNTY, and the Parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the Parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of CITY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of CITY under all outstanding contracts, agreements to other obligations of CITY, of funds for such purposes.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA

CITY OF SONOMA

By: _____
Board of Supervisors, Chairperson

By: 
David Guhin, City Manager

ATTEST:

By: _____
Clerk of the Board of Supervisors

By: 
Rebekah Barr, MMC, City Clerk

APPROVED AS TO LEGAL FORM

FOR COUNTY:

FOR CITY:

County Counsel


David J. Ruderman, City Attorney

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance” (the “Ordinance”).

Name of Agency receiving Measure H funds: _____

Reporting period: FY 24-25 (4/26/24 to 6/30/25 (with April-June proceeds received 9/10/25))

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ _____; FY 21-22 ____%; this reporting period: \$ _____; ____%.

Personnel expenditures: FY 21-22 \$ _____; this reporting period \$ _____.

6. Any material changes in service needs within the agency’s jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.

**MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
THE CITY OF PETALUMA**

This Agreement is made and entered into as of _____ (“Effective Date”) by and between the County of Sonoma, a political subdivision of the State of California, and the City of Petaluma, a California municipal corporation and charter city, hereinafter referred to as “COUNTY” and the “CITY”, and collectively as “the Parties.”

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (hereinafter “the Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout Sonoma County; and

WHEREAS, the County of Sonoma is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the Sonoma County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County of Sonoma and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant CITY’S general fund contribution in support of the operating costs for providing fire related services and establishes a proportional allocation for maintenance of effort that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County of Sonoma and Recipients shall establish existing revenue used to fund

existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for the purposes authorized in Section 12-66(B) and (C) of the ordinance, which include recruitment of additional personnel, and also retention of existing personnel; and

WHEREAS, the County of Sonoma and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, COUNTY and CITY do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by CITY is seven and nineteen one hundredths percent (7.19%) to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor fire agency of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. COUNTY shall distribute the sales tax proceeds to CITY on a quarterly basis based on the following schedule:
 - July – September proceeds will be distributed by the 10th of December;
 - October – December proceeds will be distributed by the 10th of March;
 - January – March proceeds will be distributed by the 10th of June;
 - April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from COUNTY to CITY per the Ordinance and this Agreement will be the by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant CITY's historical general fund contribution for providing fire related services. The proportional allocation to determine CITY's required maintenance of effort is determined by the CITY'S Fiscal Year 2021-22 historical general fund contribution originating from ad-valorem taxes and/or fees in support of the operating (non-capital project or limited-term expenses) cost for providing fire related services ("Baseline Allocated Fire Services Operating Costs") as a percent of CITY's baseline operating budget for Fiscal Year 2021-22, excluding limited term funds such as funds for capital projects, grant proceeds, grant matching funds or other one-time funds ("Proportional Allocation"). If the Proportional Allocation to CITY in any subsequent fiscal year is materially less than the FY 21/22 allocation, then the jurisdiction that

provides funding shall be deemed to violate the maintenance of effort requirement. . The CITY's Baseline Allocated Fire Services Operating Costs in FY 2021/22 was \$18,281,560. equating to a Proportional Allocation of ____ percent (# %). This information will be reported in CITY's Annual Report in Exhibit A. The Parties may execute an Amendment to this Funding Agreement prior to the submission of the Annual Report to set forth CITY's Proportional Allocation.

5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, in order to establish the baseline amount for measuring compliance with the requirement that Ordinance proceeds used for personnel costs (other than permitted use for local firefighter retention in accordance with Section 12-66 of the Ordinance) shall only be used to pay for additional personnel, the CITY's baseline operating budget for Fiscal Year 2021-2022 allocated in support of existing personnel costs for providing fire related services which allocated revenues include proceeds from ad valorem property taxes, parcel taxes or any other taxes and/or fees so allocated, but excluding limited term funds such as grant proceeds or other one-time revenues, was \$16,965,131.
6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), CITY may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of CITY'S annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used.
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by CITY not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If CITY receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, CITY shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.

15. Additional Acts and Documents. Each party agrees to do all such things and take all such actions, and to make, execute and deliver such other documents and instruments, as shall be reasonably requested to carry out the provisions, intent and purpose of this Agreement.
16. Integration. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof. No representations, warranties, inducements or oral agreements have been made by any of the Parties except as expressly set forth herein, or in other contemporaneous written agreements.
17. Amendment. This Agreement may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this Agreement shall be void and of no effect.
18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the COUNTY or CITY as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.
22. Limitation.
 - a. All obligations of COUNTY under the terms of this Agreement are expressly subject to COUNTY'S continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason COUNTY'S right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, COUNTY shall promptly notify CITY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be

deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of COUNTY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of COUNTY under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.


b. All obligations of CITY under the terms of this Agreement are expressly subject to CITY's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason CITY's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, CITY shall promptly notify COUNTY, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of CITY to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of CITY under all outstanding contracts, agreements to other obligations of CITY, of funds for such purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date

COUNTY OF SONOMA

CITY OF PETALUMA

By: _____
Board of Supervisors, Chairperson

By: 
Peggy Flynn, City Manager

ATTEST:

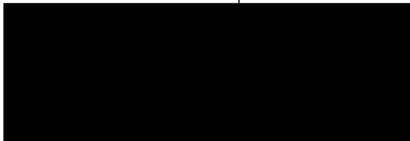
By: _____
Clerk of the Board of Supervisors

By: 
Caitlin Correy, City Clerk

APPROVED AS TO LEGAL FORM
FOR COUNTY

FOR CITY:

County Counsel


Eric Danly, City Attorney

**MEASURE H FUNDING AGREEMENT
BETWEEN THE COUNTY OF SONOMA AND
THE CITY OF HEALDSBURG**

This Agreement is made and entered into as of _____ (“Effective Date”) by and between the County of Sonoma (“County”) and the City of Healdsburg (“City”) (collectively, “Parties”).

RECITALS

WHEREAS, on March 5, 2024, the voters of Sonoma County approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance”, which added Article VIII to Chapter 12 of the Sonoma County Code (“Ordinance”); and

WHEREAS, the Ordinance provides funding to achieve effective and efficient regional fire response services throughout the County; and

WHEREAS, the County is charged with a fiduciary duty in administering the tax proceeds generated by the Ordinance and implementation of the Ordinance is the responsibility of an Oversight Committee which reports directly to the County Board of Supervisors; and

WHEREAS, Section 12-61 of the Ordinance states: “The Expenditure Plan set forth in section 12-66 is intended as a specific and legally binding and enforceable limitation on how the proceeds of the transactions and use tax imposed by this Ordinance may be spent”; and

WHEREAS, as part of the Ordinance Expenditure Plan, Section 12-66(D) provides allocation percentages for entities receiving funds generated by the Ordinance (“Recipients”); and

WHEREAS, as part of independent Oversight Committee and performance audit, Section 12-67(B) of the Ordinance requires Recipients to prepare and distribute to the Oversight Committee specific information in annual reports not later than December 31st of each year; and

WHEREAS, as part of the oversight and administration of the Ordinance, Section 12-68(A) of the Ordinance requires a funding agreement between the County and Recipients before any tax proceeds are distributed; and

WHEREAS, Section 12-65 of the Ordinance requires that Ordinance proceeds shall not be used to supplant the City’s historical proportional allocation to fire related services and establishes a baseline maintenance of effort requirement that shall not be violated; and

WHEREAS, Section 12-68(A) of the Ordinance further requires that the funding agreement between the County and Recipients shall establish existing revenue used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds generated by the Ordinance shall only be used to pay for additional personnel; and

WHEREAS, the County and Recipients desire to have a uniform agreement to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance.

NOW, THEREFORE, in consideration of the foregoing, the County and the City do hereby agree as follows:

1. The Parties agree to comply with the purpose, intent, use of fund limitations and specific implementation provisions of the Ordinance, which became operative October 1, 2024.
2. Allocation of Funds. As provided in Section 12-66(D), the allocation percentage of funds generated by the Ordinance to be received by the City is two and fifty-one-hundredths percent (2.51%), to be used for the purposes set forth in Sections 12-66(B) and 12-66(C) of the Ordinance. As provided in Section 12-66(E), the successor of any enumerated entity in Section 12-66(D) shall receive the funds set forth in that section.
3. Distribution of Funds. The County shall distribute the sales tax proceeds to the City on a quarterly basis based on the following schedule:

July – September proceeds will be distributed by the 10th of December;
October – December proceeds will be distributed by the 10th of March;
January – March proceeds will be distributed by the 10th of June; and
April – June proceeds will be distributed by the 10th of September.

The first distribution of tax proceeds from the County to the City per the Ordinance and this Agreement will be the by the 10th of March 2025 for the October – December 2024 collection date.

4. Baseline maintenance of effort. As provided in Section 12-65, Ordinance proceeds shall not be used to supplant the City’s historical general fund contribution for providing fire related services. The proportional allocation to determine maintenance of effort is the City’s baseline operating budget for Fiscal Year 2021-2022, which includes ad valorem property taxes, parcel taxes or any other taxes and/or fees in support of the operating cost for providing fire related services, but excludes limited term funds such as capital projects, grants, grant matches or other one-time revenues, will be reported on the City’s Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth the City’s proportional allocation. If the proportional allocation to the City in any subsequent fiscal year is materially less than the Fiscal Year 2021-2022 allocation, then the jurisdiction that provides funding shall be deemed to violate the maintenance of effort requirement.
5. Baseline personnel funding. For the purposes of Section 12-68(A) of the Ordinance, as provided in the operating budget for Fiscal Year 2021-2022, the City’s annual existing

revenues used to fund existing personnel in order to establish the baseline for measuring compliance with the requirement that sales tax proceeds shall only be used to pay for additional personnel will be reported on the City's Annual Report in Exhibit A. The Parties intend and agree to execute an Amendment to this Funding Agreement prior to the submission of the Annual Report, which sets forth the City's baseline personnel funding.

6. 30-year limit on Bonded Indebtedness. As provided in Sections 12-63 and 12-66(C), the City may issue limited tax bonds to finance any program or project in accordance with the Ordinance Expenditure Plan, as allowed by applicable law and as approved by their respective legislative body. The maximum bonded indebtedness shall not exceed the projected 30-year distribution of the City's annual allocation and any costs associated with the issuance of such bonds shall be accounted for within the program category in which the bond proceeds are used.
7. Reporting Requirements.
 - a. In order to ensure consistency in distribution, reporting, oversight, and administration of the funds generated by the Ordinance as set forth in Section 12-67(B) of the Ordinance, annual reports to the Oversight Committee shall be made by the City not later than December 31st of each year in the form attached hereto as Exhibit A.
 - b. If the City receives funding as part of the Countywide Expenditures from the Sonoma County Fire Chiefs Association ("SCFCA") pursuant to Section 12-66(C)(6) of the Ordinance, the City shall prepare an annual report to be provided to SCFCA no later than September 30th to be included in the SCFCA's annual report to the Oversight Committee.
8. Appropriations Limit. As provided in Section 12-64 of the Ordinance, revenue generated by the Ordinance shall be attributed to the appropriations limit of the County, and not to the appropriations limit of any Recipients.
9. Records. The Parties shall retain all records regarding expenditures of funds generated by the Ordinance for a period of three (3) years from the date of the expenditure and make available as soon as practicable to each Party.
10. Audit authority of Oversight Committee. Subject to Sections 12-67(C) and 12-67(D) of the Ordinance, the Oversight Committee shall have the authority to audit the receipt and expenditures as set forth in the annual reports submitted by Recipients.
11. Over Allocation. If the County over allocates funds to the City for any reason, then the City agrees to return the amount of such over allocation to COUNTY to be re-allocated per Section 12-66(D).

18. Independent Agencies. The Parties renders their services under this Agreement as independent agencies. None of either Party's agents or employees shall be agents or employees of the other Party.
19. Assignment. The Agreement may not be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party.
20. Successors. This Agreement shall be binding upon the successor(s), assignee(s) or transferee(s) of the County or the City as the case may be. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this Agreement other than as provided above. Notwithstanding the foregoing, per Section 12-66(E)(2) of the Ordinance, in the event any enumerated entity in Section 12-66(D) consolidates with or is annexed by another entity, the successor agency shall receive the funds allocated to the enumerated entity.
21. Severability. Should any part of this Agreement be determined to be unenforceable, invalid, or beyond the authority of either party to enter into or carry out, such determination shall not affect the validity of the remainder of this Agreement which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the Parties.
22. Limitations.
 - a. All obligations of the County under the terms of this Agreement are expressly subject to the County's continued authorization to collect and allocate the sales tax proceeds generated by the Ordinance. If for any reason the County's right to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, the County shall promptly notify the City, and the parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of the County to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of the County under all outstanding contracts, agreements to other obligations of COUNTY, of funds for such purposes.
 - b. All obligations of the City under the terms of this Agreement are expressly subject to the City's continued authorization to receive and spend the sales tax proceeds generated by the Ordinance. If for any reason the City's right or ability to collect or expend such sales tax proceeds is terminated, suspended, or modified, in whole or in part, the City shall promptly notify the County, and the

parties shall consult on a course of action. If, after twenty-five (25) business days, a course of action is not agreed upon by the parties, this Agreement shall be deemed terminated by mutual or joint consent; provided, that any future obligation to fund from the date of the notice shall be expressly limited by and subject to (i) the lawful ability of the City to expend sales tax proceeds for the purposes of the Agreement; and (ii) the availability, taking into consideration all the obligations of the City under all outstanding contracts, agreements to other obligations of the City, of funds for such purposes.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

COUNTY OF SONOMA

CITY OF HEALDSBURG


By: _____
Board of Supervisors, Chairperson



Jeff Kay, City Manager

ATTEST:

By: _____
Clerk of the Board of Supervisors



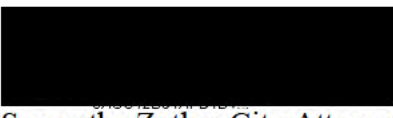
Raina Allan, City Clerk

APPROVED AS TO LEGAL FORM

FOR COUNTY:

FOR CITY:

County Counsel



Samantha Zutler, City Attorney

EXHIBIT A

ANNUAL REPORT TO MEASURE H OVERSIGHT COMMITTEE

Pursuant to the requirements of Sonoma County Code section 12-67(B), this is the annual report of the allocation of funds received by the reporting agency under the Sonoma County voter-approved Measure H, “The Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response Transactions and Use Tax Ordinance” (“Ordinance”).

Name of Agency receiving Measure H funds: _____

Reporting period: FY 24-25 (4/26/24 to 6/30/25 (with April-June proceeds received 9/10/25))

1. Detail of the activities related to the Ordinance this reporting period, based on attached budget to actual report, balance sheet, and fund balance report.
2. Summary of the positions and start up, equipment and facilities that were funded with revenue from the Ordinance.
3. The specific activities that support fire prevention, including vegetation management.
4. Update on the status of facility capital improvement projects that are funded with revenue from the Ordinance.
5. Demonstration of compliance with the requirement that revenue from the Ordinance shall be used for enhancing operations.

Proportional budget allocation for fire related services:

FY 21-22 \$ _____; FY 21-22 ____%; this reporting period: \$ _____; ____%.

Personnel expenditures: FY 21-22 \$ _____; this reporting period \$ _____.

6. Any material changes in service needs within the agency’s jurisdiction or countywide.
7. Any remaining funds from allocations provided in previous years, and an explanation for proposed use of such funds.

Required Attachments:

Annual Budget

Budget to Actual Report

Balance Sheet

Fund Balance Report

Most recent annual audit and/or other independent financial review

FY 21-22 budget documents showing baseline dollar figure for maintenance of effort and personnel expenditures.