

DRAFT EXPENDITURE PLAN

SONOMA COUNTY WILDFIRE PREVENTION, EMERGENCY ALERT AND RESPONSE MEASURE

Statement of Principles

The fundamental principle guiding this Expenditure Plan is to provide more efficient, effective, and sustainable fire response, emergency alert, and wildfire prevention capabilities that protect the health and safety of the public in Sonoma County. To achieve this goal, the Sonoma County Board of Supervisors sought the guidance of fire agencies in Sonoma County to develop a plan that looks beyond established boundaries to protect the public's safety. The ensuing Deployment Plan, which is the basis of this Expenditure Plan, was informed by an analysis of population density, call volumes, station coverage response times, special hazard areas, and local knowledge and was developed to provide a long-term framework for planning, funding, and implementing enhanced fire, emergency alert services, and wildfire capabilities within Sonoma County. The goals of this Expenditure Plan embody the lessons learned from the October 2017 fires, the 2019 Kincadee fire, and the more than 296 years of experience of the chiefs, firefighters, and emergency managers that informed this Expenditure Plan.

Introduction

The expenditure plan for the Sonoma County Wildfire Prevention, Emergency Alert and Response Measure ("Expenditure Plan") provides for investment into five program categories. Each program category will receive a percentage share of the sales tax revenue, currently estimated at \$51 million per year. The tax proceeds must be spent for the purposes authorized in this Expenditure Plan and may not be used for other purposes. The revenues collected from the tax shall be used only to supplement existing services and shall not be used to pay for existing operations. Refer to Exhibits included in attachments to the Draft Expenditure Plan for the percentage of tax being distributed to each Agency.

fire agencies shall receive the funds allocated in this Expenditure Plan if those agencies work towards regional consolidation in order to achieve efficient, effective, and sustainable services in the County. The requirement to work towards consolidation does not apply to the cities who provide municipal fire suppression services; however, cities are free to participate in consolidation. The Board of Supervisors, in conjunction with Sonoma County Local Agency Formation Commission ("Sonoma County LAFCO") will conduct a review of the agencies that provide fire suppression services, excluding cities with municipal firefighting services, once every three (3) years to determine if the agencies are taking appropriate steps toward consolidation in order to provide efficient, cost effective and reliable delivery of fire services.

1. **Alert, Warnings, and Sirens.** The sales tax will fund approximately 200 additional firefighters throughout Sonoma County, which will provide much needed resources to keep communities safe in the event of future fires and/or disasters. In addition, the funding will be used to provide hi low sirens on emergency vehicles. The addition of these capabilities throughout the County will greatly improve the ability of local fire agencies to assist with community alerts, including direct in person alerting and facilitating neighborhood evacuations. The additional firefighters will also be available to staff pre-positioned trucks and apparatus when necessary for red flag warning events and other disaster events. The local agency may use the staffing funds to pay for reasonable one-time start-up costs associated directly with the 200 additional firefighters. Such one-time startup costs may include the equipment, and apparatuses to support additional firefighters and paramedics. Under no circumstances, shall any of

the equipment and facilities proceeds be used for startup costs after December 31, 2022. In addition, a portion of the sales tax will be provided to the Department of Emergency Management to construct, operate and maintain networks of sirens (where appropriate) for alerting residents and visitors of emergency wildfire threats and other disasters; enhance use of the Wireless Emergency Alert system, SoCo Alert, and Nixel notifications; and other alert and warning services. In addition, as new fire stations are constructed or remodeled, local fire suppression agencies will install sirens at the stations.

2. **Vegetation Management, and Wildfire Prevention, Preparedness, and Response.** The additional 200 firefighters, along with seven new fire inspectors supported by the tax will provide enhanced vegetation management fire prevention services throughout the county. Local fire agencies' staff shall provide vegetation management services in their jurisdictions, including parcel inspections to ensure that property owners are complying with minimum vegetation management standards. The tax will support local fire agencies to remediate non-compliant parcels, including, conducting hearings and pursuing recovery of administrative costs associated with managing and enforcing the County of Sonoma's Abatement of Hazardous Vegetation and Combustible Material ordinance or relevant ordinance (that meets the minimum standards established by the County) within an agency's jurisdiction. Agencies shall inspect every property subject to the County of Sonoma's Abatement of Hazardous Vegetation and Combustible Material ordinance or relevant ordinance within an agency's jurisdictions located within the Wildland Urban Interface and along all evacuation routes once every three (3) years. An Agency may satisfy this requirement by performing vegetation management fire prevention services itself or by contracting with another local or regional agency. Additionally, the sales tax shall fund a regional crew to perform vegetation management fire prevention services that will directly mitigate hazards, reduce fuels, reinforce evacuation routes, and construct fuel breaks. The agency hosting the regional crew shall report annually the following: size and location of fuel breaks created, evacuation routes improved, and total estimated tons of fuel reduced or removed. The Board of Supervisors shall enter into a contract with a Fire Agency performing services within Sonoma County for services provided by a regional vegetation management crew and shall use the funds identified in Exhibit A to pay for such services. This report shall be attached to the annual report provided to the oversight committee covering the expenditures of staffing, alert/warning and capital improvement.

3. **Recruitment and Retention of Firefighters.** As described above, the sales tax will provide support for approximately 200 additional firefighters throughout the county to protect the public's health and safety. The enhanced level of service will fund qualified firefighters and paramedics to provide wildfire suppression, alert and warning, emergency response, and vegetation management fire prevention services. In addition, 5.5% of the sales tax will go to certain fire agencies that have specific challenges recruiting and retaining full-time firefighters. Refer to Exhibit B for percentage of tax being distributed to those Agencies for recruitment and retention purposes.

4. **Incentivize Consolidation and Address Other Fire Response and Prevention Needs.** One and one-quarter percent (1.25%) of the sales tax will provide funding for the Board of Supervisors to use to incentivize consolidation, enhance regional vegetation management efforts, and improve alert and warning systems.

5. **Equipment and Facilities.** The County Board of Supervisors will allocate proceeds of the tax measure to agencies based on the facility improvement distribution plan included as Exhibit C. These sales tax proceeds shall not be utilized for operations by the local agencies who receive these funds. The County of Sonoma and the agency to receive funds for equipment and facilities will agree upon the terms and conditions for receipt of these proceeds, including but not limited to timelines for completion of construction or acquisition, requirements to provide funding to complete the construction or

acquisition if there is a funding shortfall, etc. The agencies that provide fire suppression services are authorized upon the approval of their respective legislative bodies, to use their allocation of Equipment and Facilities tax proceeds to bond for the purpose of improving and/or replacing fire facilities, equipment and/or apparatuses to increase the capacity of their respective fire suppression agencies to respond to the fire suppression, emergency alert, and fire prevention needs of their respective communities including equipment and facilities upgrades, construction and/or acquisition. An agency with municipal fire suppression services may issue limited tax bonds, from time to time, to finance any program or project in accordance with this Expenditure Plan as allowed by applicable law and as approved by their respective legislative body, and the maximum bonded indebtedness shall not exceed the projected 30-year distribution of their annual allocation. All costs associated with the issuance of bonds, including debt service payments, issuance costs, interest, reserve requirements, and insurance shall be accounted for within this program category. Such bonds will be payable solely from the allocation of the retail transactions and use tax of the agency issuing the bonds and may be issued any time before expiration of the tax. Refer to Exhibit C for the facility improvement distribution plan.

Independent Oversight Committee and Performance Audit

The Board of Supervisors shall establish an Oversight Committee to provide transparency and ensure fiscal accountability. The Committee shall review the receipt and expenditures of the revenue from the transactions and use tax, including an audit of each Agency's use of the tax, which is to be conducted every three years by an independent certified public accountant retained by the County. Any written report shall be a public record. The Board shall adopt a resolution regarding the appointment of seven Committee members, and any additional duties of the Committee. The Sonoma County Board of Supervisors shall appoint two members of the Board of Supervisors to sit on the Oversight Committee. Two of the Committee members will be selected from a list of names submitted by the Mayors of Sonoma County Cities. The Sonoma County Fire Chiefs Association will appoint three members at least one of which is a representative of an independent fire district. Committee Members will serve a three-year term and are eligible to be reappointed by their appointing body.

The funds collected from the Fire and Emergency Alert and Wildfire Prevention Measure shall be received and distributed by the County Auditor-Controller-Treasurer-Tax Collector. The amount generated by this revenue source and how it was distributed shall be included in the annual audit completed by an independent certified public accountant, which the Committee shall review.

To preserve the integrity and independence of the oversight process, the Committee's responsibilities shall not include decision making on spending priorities, financing plans or tax rate projections or assumptions and the Committee shall have no authority to direct, nor shall it direct, County staff or officials or Fire Agency staff or officials.

Annual Report

All agencies receiving funding from the Sonoma County Wildfire Prevention, Emergency Alert, and Response Measure, including the County of Sonoma, shall prepare a report that will be submitted to the Oversight Committee (Committee) no later than the last day of the sixth month following the end of the fiscal year. Each agency's Annual Report shall include the following information:

1. A detail of the prior fiscal year's activities related to the Transaction and Use Tax by providing a budget to actual report, balance sheet, and fund balance report.
2. A summary of the positions and start up, equipment and facilities that were funded with the Transaction and Use Tax.
3. The specific activities that support each of the following activities: (a) alert and warning, (b) vegetation management, and (c) fire prevention activities.

4. The efforts undertaken to cooperate with LAFCO to facilitate consolidation efforts.
5. Update on the status of facility improvements that are funded with the Transaction and Use Tax.
6. Demonstration of compliance with the requirements of this plan that the funds shall be used to pay for additional personnel and not existing operations (except as allowed by Exhibit B).
7. Any material changes in the service needs within their jurisdiction.

The Committee shall submit their findings to the Sonoma County Board of Supervisors and the Sonoma County LAFCO regarding the utilization of funding towards the priorities identified in this Expenditure Plan.

Oversight and Administration

The implementation of the Sonoma County Wildfire Prevention, Emergency Alert, and Response Measure will be the responsibility of the Sonoma County Administrator, who reports directly to the Sonoma County Board of Supervisors. The County is charged with a fiduciary duty in administering the tax proceeds in accordance with applicable laws and this Sonoma County Wildfire Prevention, Emergency Alert, and Response Measure. Receipt of tax proceeds may be subject to appropriate terms and conditions as determined by the County in its reasonable discretion, including, but not limited to, the right to require recipients to execute funding agreements and the right to audit recipient's use of the tax proceeds. Environmental reporting, review and approval procedures as provided for under the National Environmental Policy Act, and/or California Environmental Quality Act, or other applicable laws will be adhered to as a prerequisite to the implementation of any project. Actual tax proceeds may be higher or lower than estimated over the duration of this Measure. Funding agreements shall be required before any tax proceeds are distributed. Each funding agreement shall establish 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 (except as set forth in Exhibit B).

California Department of Tax and Fee Administration Costs

Payment for the costs of contracting with the California Department of Tax and Fee Administration for administration of the tax shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for any fee charged by the California Department of Tax and Fee Administration from the proceeds of the tax.

Election and Administration Costs

Payment for the costs of the election shall be the responsibility of the County. If the election is successful, the County shall be reimbursed for the cost of the election from the proceeds of the tax. The annual administrative cost borne by the County's Auditor and County Administrator staff, the Oversight Committee administrative costs and the California Department of Tax and Fee Administration will be deducted from the annual proceeds from the tax before quarterly distribution to the fire suppression agencies and other agencies listed below.

Maintenance of Effort Requirement

The proceeds from this measure shall not be used to supplant an agency's historical general fund(s) contribution originating from ad valorem property taxes or parcel taxes in support of the operating (non-capital project) cost for providing its fire related services.

Reallocation

Actual tax proceeds will be programmed annually in accordance with the percentage distributions, or the reallocated percentages as authorized in this Expenditure Plan. The ability to fully fund or complete all programs or projects in the Expenditure Plan may be impacted by changing circumstances over the duration of the tax. Tax proceeds originally allocated may become available for reallocation due to any of the following reasons:

1. A listed project is completed under budget;
2. A listed project is partially or fully funded by funding sources other than tax proceeds;
3. A project sponsor and implementing agency request deletion of a listed project;
4. A listed project cannot be completed due to an infeasible design, construction limitation or substantial failure to meet specified implementation milestones.
5. Fire Agencies shall receive the funds allocated in this Expenditure Plan if those agencies work towards regional consolidation in order to achieve efficient, effective and sustainable services in the County. The cities who provide municipal fire suppression services are not subject to this requirement of working towards consolidation, but are free to join in consolidation efforts. The Board of Supervisors, in conjunction with Sonoma County LAFCO will conduct a review of the agencies that provide fire suppression services, excluding cities with municipal firefighting services, once every three (3) years to determine if the agencies are taking appropriate steps toward consolidation. If both LAFCO and Board of Supervisors each determine by a 4/5ths vote that an agency has not made appropriate steps toward consolidation, that agency's share of tax revenue shall, at the sole discretion of the Board of Supervisors, be held in trust, or redistributed to other fire agencies listed in the Exhibits to the Draft Expenditure Plan within the same region, or a neighboring region, as the non-compliant agency, until such time as the Sonoma County Board of Supervisors and Sonoma County LAFCO each determine by majority vote that the agency is acting in accordance with this Expenditure Plan's consolidation requirements. Upon such a determination, the funds will be released from trust or reallocated as provided in the Exhibits to the Draft Expenditure Plan.
6. Upon consolidation, the tax share going to the local fire suppression agency that is annexed into another Fire Agency shall be transferred to the annexing Fire Agency, provided, however, that the annexing Fire Agency ensures LAFCO that service levels within the former local Fire Agency shall not degrade as a result of the annexation.
7. Upon a material change in service delivery needs due to the passage of time, technological advances, an act of God or other significant event, an agency may request a change to the tax allocation. The requesting agency shall first seek the approval of the Fire Chiefs Association (or its successor agency) and if the Chiefs Association is supportive of the request the requesting agency can bring it forward to the Board of Supervisors for consideration. The Board may approve the request by legislative action which is affirmed by a unanimous vote at a regular scheduled board meeting.

The following Agencies will receive a percentage of Tax Allocated from the Expenditure Plan's Category Descriptions: **Alert, Warnings, and Sirens; Vegetation Management and Wildfire Prevention and Preparedness, and Response.**

Agency	Percentage of Tax
City of Healdsburg	1.28%
City of Petaluma	3.08%
City of Rohnert Park	4.18%
City of Santa Rosa	8.55%
City of Sebastopol	1.82%
City of Sonoma	1.11%
Bodega Bay Fire Protection District	1.22%
Cazadero Community Services District	1.82%
Cloverdale Fire Protection District	1.37%
Forestville Fire Protection District	2.00%
Geyserville Fire Protection District	4.13%
Glen Ellen Fire Protection District	0.76%
Gold Ridge Fire Protection District	2.60%
Graton Fire Protection District	2.70%
Kenwood Fire Protection District	1.39%
Monte Rio Fire Protection District	5.55%
North Sonoma Coast Fire Protection District	1.71%
Occidental Fire Protection District	2.78%
Rancho Adobe Fire Protection District	0.42%
Russian River Fire Protection District	0.76%
Schell-Vista Fire Protection District	0.76%
Sonoma County Fire District	4.41%
Timber Cove Fire Protection District	0.22%
Valley of the Moon Fire Protection District	3.20%
Community Service Area 40 (Bloomfield)	2.70%
Community Service Area 40 (Bodega)	3.01%
Community Service Area 40 (Camp Meeker)	0.31%
Community Service Area 40 (Fort Ross)	0.31%
Community Service Area 40 (Lakeville)	3.08%
Community Service Area 40 (Mayacamas)	0.31%
Community Service Area 40 (San Antonio)	0.00%
Community Service Area 40 (Two Rock)	0.31%
Community Service Area 40 (Valley Ford)	0.31%
Community Service Area 40 (Wilmar)	3.08%
County of Sonoma Regional Vegetation Management	3.74%
County of Sonoma Department of Emergency Management	5.00%
Total	80.0%

The following Agencies will receive a percentage of Tax Allocated from Expenditure Plan's Project
Description: **Recruitment and Retention of Firefighters**

Agency	Percentage of Tax
Kenwood Fire Protection District	0.28%
Schell-Vista Fire Protection District	0.42%
North Sonoma Coast Fire Protection District	0.42%
Forestville Fire Protection District	0.42%
Cloverdale Fire Protection District	0.43%
Geyserville Fire Protection District	0.43%
Bodega Bay Fire Protection District	0.88%
Gold Ridge Fire Protection District	1.03%
Sebastopol Fire Protection District	0.06%
Rancho Adobe Fire Protection District	1.14%
Total	5.5%

The following Agencies will receive a percentage of Tax Allocated from Expenditure Plan's Project Description: **Equipment and Facilities**

Agency	Percentage of Tax	Equipment and Facilities Description
City of Healdsburg	0.26%	New Station; Station Improvements
City of Petaluma	0.75%	New Station; Station Improvements
City of Rohnert Park	0.75%	New Station; Station Improvements
City of Santa Rosa	2.25%	New Station; Relocate Station; Station Improvements
Cazadero Community Services District	0.37%	Relocate Station
Glen Ellen Fire Protection District	0.37%	Station Improvement
Gold Ridge Fire Protection District	0.37%	Station Improvements
Kenwood Fire Protection District	0.37%	Station Improvement
Monte Rio Fire Protection District	0.93%	Relocate Station; Station Improvements
North Sonoma Coast Fire Protection District	0.19%	Station Improvements
Geyserville Fire Protection District	0.79%	New Station; Station Improvements
Russian River Fire Protection District	0.75%	Relocate Station; Station Improvements
Sonoma County Fire District	3.19%	Two New Stations; Relocate Station; Station Improvements
Timber Cove Fire Protection District	0.04%	Station Improvements
Bloomfield Fire Protection District	0.56%	Relocate Station; Station Improvements
Fort Ross Fire Protection District	0.37%	Relocate Station; Station Improvements
Lakeville Fire Protection District	0.56%	Relocate Station; Station Improvements
Wilmar Fire Protection District	0.37%	Station Improvements
Total	13.25%	