

FY 23-24

# ENGINEER'S REPORT

## Mi-Wuk/Sugar Pine Fire Protection District Fire Protection and Emergency Response Services Assessment

June 2023  
Final Report

Engineer of Work:



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## Mi-Wuk/Sugar Pine Fire Protection District

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## Introduction

The Mi-Wuk/Sugar Pine Fire Protection District (the "District") was formed in 1959 as a volunteer fire department. In 1974, the Mi-Wuk Fire Protection District consolidated with the Sugar Pine Fire Protection District to form, the Mi-Wuk/Sugar Pine Fire Protection District.

Over the years, the District has augmented its staff with paid professional firefighters, interns, volunteers, and a support employee. The District currently employs 4 full-time professional firefighters and one full-time staff person, with up to nine volunteer intern firefighters, and several volunteer firefighters and support staff. One of the full-time professional firefighter positions and health benefits for all 5 full-time employees are contingent upon prior year additional funding.

The District provides fire suppression and prevention, emergency response and emergency services, as well as basic hazardous materials response, and other services relating to the protection of lives and property.

The Fire District serves approximately 1,500 residences within the communities of Mi-Wuk Village and Sugar Pine along the Highway 108 corridor, and provides additional fire protection and emergency services through its automatic and mutual aid agreement with the Tuolumne County Fire Department and other surrounding Fire Districts.

The District is governed by a five member Board of Directors. Directors are elected by the registered voters within the District boundaries and serve four-year terms.

This Engineer's Report (the "Report") was prepared to:

- Describe the fire suppression, safety and emergency response services and equipment that would be funded by the assessments (the "Services")
- Establish a budget for the Services that would be funded by the continuation of the assessments in 2023-24
- Determine the benefits received from the Services by property within the Mi-Wuk/Sugar Pine Fire Protection District Assessment (the "Assessment District"), and
- Describe the method of assessment apportionment to lots and parcels within the Assessment District.

This Report and the proposed assessments have been made pursuant to the California Government Code Section 50078 et seq. (the "Code") and Article XIII D of the California Constitution (the "Article").

The Assessment District is narrowly drawn to include only properties that directly receive the additional fire protection services provided by the assessment funds and specially benefit from such Services. The Assessment Diagram included in this report shows the boundaries of the Assessment District.

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### **Proposition 218**

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIIC and XIID of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of important requirements, including a property-owner balloting, for the formation and continuation of assessments, and these requirements are satisfied by the process used to establish this assessment.

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### **Silicon Valley Taxpayers Association, Inc. v Santa Clara County Open Space Authority**

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant legal document in further legally clarifying Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special, not general benefit
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the Assessment District

This Engineer's Report is consistent with the SVTA vs. SCCOSA decision and with the requirements of Article XIII C and XIII D of the California Constitution because the Services to be funded are clearly defined; the Services are available to all benefiting property in the Assessment District, the benefiting property in the Assessment District will directly and tangibly benefit from improved protection from fire damage, increased safety of property and other special benefits and such special benefits provide a direct advantage to property in the Assessment District that is not enjoyed by the public at large or other property. There have been a number of clarifications made to the analysis, findings and supporting text in this Report to ensure that this consistency is well communicated.

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#### **Dahms v. Downtown Pomona Property**

On June 8, 2009, the 4<sup>th</sup> Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms, the Court upheld an assessment that was 100% special benefit (i.e. 0% general benefit) on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district. The Court also upheld discounts and exemptions from the assessment for certain properties.

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#### **Bonander v. Town of Tiburon**

On December 31, 2009, the 1<sup>st</sup> District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

#### **Beutz v. County of Riverside**

On May 26, 2010, the 4<sup>th</sup> District Court of Appeal issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services were not explicitly calculated, quantified and separated from the special benefits.



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### Golden Hill Neighborhood Association V. City of San Diego

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in *Beutz*, the court found the general benefits associated with services were not explicitly calculated, quantified and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

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### Compliance with Current Law

This Engineer's Report is consistent with the requirements of Article XIIC and XIID of the California Constitution and with the *SVTA* decision because the Services to be funded are clearly defined; the Services are available to and will be directly provided to all benefiting property in the Assessment District; and the Services provide a direct advantage to property in the Assessment District that would not be received in absence of the Assessments.

This Engineer's Report is consistent with *Dahms* because, similar to the Downtown Pomona assessment validated in *Dahms*, the Services will be directly provided to property in the Assessment District. Moreover, while *Dahms* could be used as the basis for a finding of 0% general benefits, this Engineer's Report establishes a more conservative measure of general benefits.

The Engineer's Report is consistent with *Bonander* because the Assessments have been apportioned based on the overall cost of the Services and proportional special benefit to each property. Finally, the Assessments are consistent with *Beutz* and *Greater Golden Hill* because the general benefits have been explicitly calculated and quantified and excluded from the Assessments.

## Assessment Process

In Fiscal Year 2009-10, the Mi-Wuk/Sugar Pine Fire Protection District Board of Directors (the "Board") by Resolution No. 2010.04.13.1 passed on April 13, 2010, called for an assessment ballot proceeding and public hearing on the proposed establishment of a fire suppression and protection services assessment district.

On April 30, 2010 a notice of assessment and assessment ballot was mailed to property owners within the proposed Assessment District boundaries. Such notice included a description of the Services to be funded by the proposed assessments, a proposed assessment amount for each parcel owned, and an explanation of the method of voting on the assessments. Each notice also included a postage prepaid ballot on which the property owner could mark his or her approval or disapproval of the proposed assessments as well as affix his or her signature.

After the ballots were mailed to property owners in the Assessment District, the required minimum 45 day time period was provided for the return of the assessment ballots. Following this 45 day time period, public hearings were held on July 13, 2010 for the purpose of allowing public testimony regarding the proposed assessments. At the public hearing, the public had the opportunity to speak on the issue.

With the passage of Proposition 218 on November 6, 1996, The Right to Vote on Taxes Act, now Article XIII C and XIII D of the California Constitution, the proposed assessments could be levied for fiscal year 2010-11, and continued in future years, only if the ballots submitted in favor of the assessments were greater than the ballots submitted in opposition to the assessments. (Each ballot is weighted by the amount of proposed assessment for the property that it represents).

After the conclusion of the public input portion of the Public Hearing held on July 13, 2010, all valid received ballots were tabulated by representatives from SCI Consulting Group overseen by the League of Women Voters. At the conclusion of the public hearing on July 13, 2010, after the ballots were tabulated, it was determined that the assessment ballots submitted in opposition to the proposed assessments did not exceed the assessment ballots submitted in favor of the assessments (weighted by the proportional financial obligation of the property for which ballots are submitted). Of the ballots received, 76.19% were in support of the proposed assessments.

As a result, the Board gained the authority to approve the levy of the assessments for fiscal year 2010-11 and continue the assessment in future years. The Board took action, by Resolution No. 2010.07.13.02 passed on July 13, 2010, to approve the first year levy of the assessments for fiscal year 2010-11.

The authority granted by the ballot proceeding was for a maximum assessment rate of \$170.00 per single family home, increased each subsequent year by the San Francisco Bay Area Consumer Price Index (CPI) not to exceed 4% per year. In the event that the annual change in the CPI exceeds 4%, any percentage change in excess of 4% can be cumulatively reserved and can be added to the annual change in the CPI for years in which the CPI change is less than 4%.

In each subsequent year for which the assessments will be continued, the Board must preliminarily approve at a public meeting a budget for the upcoming fiscal year's costs and services, an updated annual Engineer's Report, and an updated assessment roll listing all parcels and their proposed assessments for the upcoming fiscal year. At this meeting, the Board will also call for the publication in a local newspaper of a legal notice of the intent to continue the assessments for the next fiscal year and set the date for the noticed public hearing. At the annual public hearing, members of the public can provide input to the Board prior to the Board's decision on continuing the services and assessments for the next fiscal year.

If the assessments are so confirmed and approved, the levies would be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax roll for Fiscal Year 2023-24. The levy and collection of the assessments would continue year-to-year until terminated by the Authority Board of Directors.

The fiscal year 2023-24 assessment budget includes outlays for supplies, firefighter salaries, and other fire suppression and protection programs. If the Board approves this Engineer's Report for fiscal year 2023-24 and the assessments by Resolution, a notice of assessment levies must be published in a local paper at least 10 days prior to the date of the public hearing. Following the minimum 10-day time period after publishing the notice, a public hearing will be held for the purpose of allowing public testimony about the proposed continuation of the assessments for fiscal year 2023-24.

The public hearing is currently scheduled for June 13, 2023. At this hearing, the Board would consider approval of a resolution confirming the continuation of the assessments for fiscal year 2023-24. If so confirmed and approved, the assessments would be submitted to the Tuolumne County Auditor/Controller for inclusion on the property tax rolls for Fiscal Year 2023-24.

## Description of Services

The Mi-Wuk/Sugar Pine Fire Protection District provides a range of fire suppression protection, prevention, and other fire and emergency related services to properties within its boundaries. The Services undertaken by the District and the cost thereof that are paid from the levy of the annual assessment provide special benefit to Assessor Parcels within the Assessment District as defined in the Method of Assessment herein. Following is a description of the Services that are provided for the special benefit of property in the Assessment District.

Due to inadequate funding compared with significant increases in costs and responsibilities, the level of fire protection services in the Assessment District was below the desired level of service. Moreover, an existing special tax and an existing assessment both expired in June of 2010 resulting in a significant decrease in the funding and corresponding level of service. These two elements combined to create the projected baseline level of service which was far below the desired service level. The formula below describes the relationship between the final level of services, the baseline level of service if the assessment had not been instituted, and the enhanced level of services funded by the assessment.

$$\begin{aligned} \text{Final Level of Service} = & \quad \text{Baseline level of Service} \\ & + \\ & \quad \text{Enhanced Level of Service} \end{aligned}$$

In addition to the definitions provided by the Code, the Services to be funded by the Assessment District are generally described as follows: obtaining, furnishing, operating, and maintaining fire suppression, protection and emergency services equipment and apparatus; payment of salaries, benefits and other compensation to fire fighting and fire prevention personnel; training and administration of volunteer personnel performing fire suppression, protection and emergency services; hazardous material response; disaster preparedness; community fire prevention education and fire inspection.

The Assessment District also contributes to cover the general costs of administering the District, its facilities and operations, as well as the salaries and benefits of firefighting personnel who provide fire suppression, protection and emergency services to parcels, improvements or property in the Assessment District.

## Cost and Budget

The following budget lists the proposed expenditures funded by the Assessment District in Fiscal Year 2023-24.

**Table 1 - Cost and Budget**

MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT Improved Fire Protection and Emergency Response Assessment Estimate of Costs Fiscal Year 2023-24		Total Budget
Beginning Fund Balance		\$211,279
Services Costs		
Staffing, Salaries and Benefits		485,983
Equipment Purchase and Maintenance		44,585
Supplies, Insurance, and Small Items		81,157
Appropriations for Contingencies		207,885
Totals for Servicing		\$819,610
Incidental Costs:		
District Management, Project Management and County Collection		\$24,839
Total Benefit of Services		\$844,449
Single Family Equivalent Units (SFEs)		1,266.96
<b>Benefit Received per SFE Unit</b>		<b>\$667</b>
Less		
District Contribution for General Benefits		(42,222)
District Contribution Toward Special Benefits		(276,322.38)
Beginning Fund Balance and Fund Income		(211,279)
		(\$529,824)
Total Fire Suppression and Protection Services Budget (Net Amount to be Assessed)		\$314,625
Assessment District Budget Allocation to Parcels		
Total Assessment Budget		\$314,625
Single Family Equivalent Benefit Units in District		1,266.96
Assessment per Single Family Equivalent Unit (SFE)		\$248.33

Notes to Cost and Budget:

1. As determined in the following section, at least 5% of the cost of the Services must be funded from sources other than the assessments to cover any general benefits from the Services. Therefore, out of the total cost of Services of \$844,449, the District must contribute at least \$42,223 from sources other than the assessments. The District will actually contribute \$276,322 which is over 32% of the cost of the Services, and more than covers any general benefits from the Services.
2. Incidental expenses include the administrative costs of the annual administration of the assessment and County fees for collection.

## Method of Apportionment

### Method of Apportionment

This section includes an explanation of the special benefits to be derived from the Services, the criteria for the expenditure of assessment funds and the methodology used to apportion the total assessments to properties within the Assessment District.

The Assessment District area consists of all Assessor Parcels within the Mi-Wuk/Sugar Pine Fire Protection District. The method used for apportioning the assessment is based upon the proportional special benefits from the Services to be derived by the properties in the assessment area over and above general benefits conferred on real property or to the public at large. Special benefit is calculated for each parcel in the Assessment District using the following process:

1. Identification of all benefit factors derived from the Improvements
2. Calculation of the proportion of these benefits that are general
3. Determination of the relative special benefit within different areas within the Assessment District
4. Determination of the relative special benefit per property type
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type, property characteristics, improvements on property and other supporting attributes

### Discussion of Benefit

California Government Code Section 50078 et. seq. allows agencies which provide fire suppression services, such as the Mi-Wuk/Sugar Pine Fire Protection District, to levy assessments for fire suppression services. Section 50078 states the following:

*“Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article.”*

In addition, California Government Code Section 50078.1 defines the term “fire suppression” as follows:

*“(c) “Fire suppression” includes firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard.”*

Therefore, the Services to be provided by the Assessment District fall within the scope of services that may be funded by assessments under the Code.

The assessments can only be levied based on the special benefit to property. Special benefit means a particular and distinct benefit received by property over and above any general benefits conferred on real property located in the Assessment District or the public at large. With reference to the requirements for assessments, Section 50078.5 of the California Government Code states:

*"(b) The benefit assessment shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency, zone, or area of benefit."*

*"The assessment may be levied against any parcel, improvement, or use of property to which such services may be made available whether or not the service is actually used."*

Proposition 218, as codified in Article XIID of the California Constitution, has confirmed that assessments must be based on the special benefit to property:

*"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."*

Since assessments are levied on the basis of special benefit, they are not a tax and are not governed by Article XIII A of the California Constitution.

The following section describes how and why the Services specially benefit properties. This special benefit is particular and distinct from its effect on other property and that other real property and the public at large do not share.

## **Benefit Factors**

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services that will be provided to property in the Assessment District. These benefit factors must confer a direct advantage to the assessed properties; otherwise they would be general benefit.

The following benefit categories have been established that represent the types of special benefit conferred to residential, commercial, industrial, institutional and other lots and parcels resulting from the improved fire protection and emergency response services that will be provided in the Assessment District. These types of special benefit are summarized as follows:



- **Increased safety and protection of real property assets for all property owners within the Assessment District.**

The proposed Assessments will fund improved fire suppression and protection services, and thereby can significantly reduce the risk of property damage associated with fires. Clearly, fire mitigation helps to protect and specifically benefits both improved properties and vacant properties in the Assessment District.

*"Fire is the largest single cause of property loss in the United States. In the last decade, fires have caused direct losses of more than \$120 billion and countless billions more in related cost."*<sup>1</sup>

*"Over 140,000 wildfires occurred on average each year, burning a total of almost 14.5 million acres. And since 1990, over 900 homes have been destroyed each year by wildfires."*<sup>2</sup>

*"A reasonably disaster-resistant America will not be achieved until there is greater acknowledgment of the importance of the fire service and a willingness at all levels of government to adequately fund the needs and responsibilities of the fire service."*<sup>3</sup>

*"The strategies and techniques to address fire risks in structures are known. When implemented, these means have proven effective in the reduction of losses."*<sup>4</sup>

*"Statistical data on insurance losses bears out the relationship between excellent fire protection...and low fire losses."*<sup>5</sup>

- **Protection of views, scenery and other resource values for property in the Assessment District.**

The proposed Assessment District will provide funding for improved fire suppression and protection services to protect public and private resources in the Assessment District. This benefits even those properties that are not directly damaged by fire by maintaining and improving the aesthetics and attractiveness of public and private resources in the community, as well as ensuring that such resources remain safe and well maintained.

*The other visual quality effect is that of the fire on the landscape. To many people, burned landscapes are not attractive and detract from the aesthetic values of an area."*<sup>6</sup>

*"A visually preferred landscape can be the natural outcome of fuels treatments."*<sup>7</sup>

- **Enhanced access to properties in the Assessment District, and utility and desirability of such properties.**

The Assessments will fund improved fire protection and emergency response services in the Assessment District. In addition to preventing damage to property from fires, the assessments will also protect access to property, because fires can impede or prevent access to property. In addition, the Services will enhance the utility and desirability of the properties in the Assessment District.

*“A community committed to saving lives and property needs trained firefighters, proper equipment, and adequate supplies of water. Insurance companies consider it good public policy –and good business– to promote and encourage the efforts of individual communities to improve their fire-protection services.”<sup>8</sup>*

### Benefit Finding

In summary, real property located within the boundaries of the Assessment District distinctly and directly benefits from increased safety and protection of real property, increased protection of scenery and views, and enhanced access and utility of properties in the Assessment District. These are special benefits to property in much the same way that sewer and water facilities, sidewalks and paved streets enhance the utility and desirability of property and make them more functional to use, safer and easier to access.

### General Versus Special Benefit

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund special benefits but cannot fund general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

$$\text{Total Benefit} = \text{Total General Benefit} + \text{Total Special Benefit}$$

There is no widely-accepted or statutory formula for general benefit. General benefits are benefits from improvements or services that are not special in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements.

In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

The starting point for evaluating general and special benefits is the baseline level of services provided by the District. The assessment will fund Services “over and above” this general, baseline level of services. The general benefits estimated in this section are over and above the baseline.

A formula to estimate the general benefit is listed below:

$$\begin{aligned} \text{General Benefit} = & \\ & \text{Benefit to Real Property Outside the Assessment District} + \\ & \text{Benefit to Real Property Inside the Assessment District that is Indirect and} \\ & \text{Derivative} + \\ & \text{Benefit to the Public at Large} \end{aligned}$$

Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, as noted, the improved Services are available when needed to all properties in the Assessment District, so the overwhelming proportion of the benefits conferred to property is special, and are only minimally received by property outside the Assessment District or the public at large.

Proposition 218 twice uses the phrase “over and above” general benefits in describing special benefit. (Art. XIID, sections 2(i) & 4(f).) Arguably, all of the Services being funded by the assessment would be a special benefit because the Services would particularly and distinctly benefit the properties in the Assessment District over and above the baseline benefits.

Nevertheless, arguably some of the Services would benefit the public at large and properties outside the Assessment District. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

## Calculating General Benefit

This section provides a measure of the general benefits from the assessments

### Benefit to Property Outside the Assessment District

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services will be provided solely in the Assessment District boundaries. (It should be noted that the Services may, at times, be used outside the District boundaries. However, this use is part of a mutual aid agreement and would be offset by the provision of Services by other agencies within the Assessment District boundaries.)

Properties proximate to, but outside of, the boundaries of the Assessment District receive some benefit from the proposed Services due to some degree of indirectly reduced fire risk to their property. These parcels that are proximate to the boundaries of the Assessment District are estimated to receive less than 50% of the benefits relative to parcels within the Assessment District because they do not directly receive the improved fire protection resulting from the Services funded by the Assessments.

At the time the Assessment was proposed, the Assessment Engineer, using the Geographic Information System parcel map from Tuolumne County, counted the number of parcels proximate to the Assessment District boundary but outside the Assessment District, and thereby determined that there were approximately 48 of these "proximate" properties.

#### Criteria:

48 parcels outside the district but proximate to the District Boundaries

1,438 parcels in the Assessment District

50% relative benefit compared to property within the Assessment district

#### Calculation

General benefit to property outside the Assessment District =  
 $(48 / (1,438 + 48)) * .5 = .016\%$

Although it can reasonably be argued that properties protected inside, but near the Assessment District boundaries are offset by similar fire protection provided outside, but near the Assessment District's boundaries, we use the more conservative approach of finding that .016% of the Services may be of general benefit to property outside the Assessment District.

### **Benefit to Property Inside the District that is *Indirect and Derivative***

The "indirect and derivative" benefit to property within the Assessment District is particularly difficult to calculate. A solid argument can be presented that all benefit within the Assessment District is special, because the Services are clearly "over and above" and "particular and distinct" when compared with the baseline level of fire suppression and fire protection services in the Assessment District.

In determining the proposed Assessment District area, the District has been careful to limit it to an area of parcels that will directly receive the benefit of the improved Services. All parcels will directly benefit from the use of the improved Services throughout the Assessment District in order to maintain the same improved level of fire suppression and protection throughout the area. Fire protection and suppression will be provided as needed throughout the area. The shared special benefit - reduced severity and number of fires - would be received on an equivalent basis by all parcels in the Assessment District. Furthermore, all parcels in the Assessment District would directly benefit from the ability to request or receive service from the District and to have a District firefighter promptly respond directly to the parcel and address the owner's or resident's service need.

The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the Assessment District area does not make the benefit general rather than special, so long as the Assessment District is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension or improvement of a local government service to benefit lands. The District therefore concludes that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits and it is not possible or appropriate to separate any general benefits from the benefits conferred on parcels in the Assessment District.

## Benefit To The Public At Large

With the type and scope of Services to be provided to the Assessment District, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Assessment District, any general benefit conferred on the public at large would be small. Nevertheless, there would be some indirect general benefit to the public at large.

The public at large uses the public highways, and when traveling in and through the Assessment District and they may benefit from the services without contributing to the assessment. Although the protection of this critical infrastructure is certainly a benefit to all the property within the district, it is arguably “indirect and derivative” and possibly benefits people rather than property. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of highway and throughway street area within the Assessment District relative to the overall land area. An analysis of maps of the Assessment District shows that approximately 1.1% of the land area in the Assessment District is covered by highways and throughway streets. This 1.1% therefore is a fair and appropriate measure of the general benefit to the public at large within the Assessment District.

## Summary of General Benefits

Using a sum of the measures of general benefit for the public at large and land outside the Assessment Area, we find that approximately 1.12% of the benefits conferred by the proposed Fire Protection and Emergency Response Assessment may be general in nature and should be funded by sources other than the assessment.

General Benefit =

$$\begin{aligned}
 & 0.02 \% \text{ (Outside the district)} \\
 + & 0.0 \% \text{ (Inside the district - indirect and derivative)} \\
 + & 1.1 \% \text{ (Public at Large)} \\
 = & 1.12 \% \text{ (Total General Benefit)}
 \end{aligned}$$

Although this analysis supports the findings that 1.12% of the assessment may provide general benefits, this measure is increased by the Assessment Engineer to 5% to conservatively ensure that no assessment revenue is used to support general benefit. This additional amount allocated to general benefit also covers general benefit to parcels in the Assessment Area if it is later determined that there is some general benefit conferred on those parcels.

The Assessment District's total budget for 2023-24 is \$844,449. Of this total budget amount, the District will contribute at least \$276,322 which is over 32% of the cost of the Services, and more than covers any general benefits from the Services. This contribution constitutes significantly more than the 5% general benefits estimated by the Assessment Engineer.

### Benefit Finding

As noted, the assessment funds will be used to improve fire protection and emergency response services throughout the Assessment District. This Engineer's Report finds that the Services are a significant, tangible benefit that should reasonably and rationally confer more special benefit to properties in the Assessment District than the assessment rate of \$248.33 per benefit unit.

### Zones of Benefit

The Assessment District has been narrowly drawn. The assessments will fund improved fire suppression and protection services relatively uniformly throughout the Assessment District. Therefore, properties of similar type will receive essentially equivalent levels of special benefits, and no Zones of Benefit are justified.

The SVTA vs. SCCOSA decision indicates:

*In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not "particular and distinct" and are not "over and above" the benefits received by other properties "located in the district."*

*We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefitting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to*

*park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district's property values).*

In the assessment, the advantage that each parcel receives from the proposed fire suppression Services is direct, and the boundaries for the Assessment District are narrowly drawn so each parcel receives a similar level of benefit from the improved fire suppression Services. Therefore, the even spread of assessment throughout the Assessment District is indeed consistent with the OSA decision.

### **Assessment Apportionment**

In the process of determining the appropriate method of assessment, the Assessment Engineer considered various alternatives. For example, an assessment only for all residential improved property was considered but was determined to be inappropriate because vacant, commercial, industrial and other properties also receive special benefits from the assessments.

Moreover, a fixed or flat assessment for all properties of similar type was deemed to be inappropriate because larger commercial/industrial properties and residential properties with multiple dwelling units receive a higher degree of benefit than other similarly used properties that are significantly smaller. For two properties used for commercial purposes, there clearly is a higher benefit provided to the larger property in comparison to a smaller commercial property because the larger property generally supports a larger building and has higher numbers of employees, customers and guests that would benefit from improved fire protection and emergency response services. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

The Assessment Engineer determined that the appropriate method of assessment should be based on the type of property, the relative risk of fire by type of property, the relative size of the property, and the relative damage value (replacement cost) of fires by property type. This method is further described below.



## Method of Assessment

The next step in apportioning assessments is to determine the relative special benefit for each property. This process involves determining the relative benefit received by each property in relation to a "benchmark" property, a single family detached dwelling on one parcel (one "Single Family Equivalent Benefit Unit" or "SFE"). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefits and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. In this Engineer's Report, all properties are assigned an SFE value, which is each property's relative benefit in relation to a single family home on one parcel.

The relative benefit to properties from fire related services is:

### Equation 1 – Relative Benefit to Properties

$$\text{Benefit} \approx \Sigma (\text{Fire Risk Factors}) * \Sigma (\text{Replacement Cost Factors})$$

That is, the benefit conferred to property is the "sum" of the risk factors multiplied by the "sum" of the replacement cost factors.

## Fire Risk Factors

Typical fire assessments are evaluated based upon the fire risk of a certain property type. These evaluations consider factors such as use of structure (e.g. used for cooking), type of structure (centralized heating), etc.

In 2003, the National Fire Protection Association ("NFPA"), one of the pre-eminent authorities on fire protection in the United States, published the 2003 US Fire Problem Overview Report. This report comprehensively tabulates the number of fires for each property type within the United States in the year 1999, and serves as a reasonable and rational basis to determine fire risk.

The number of fires for each property is then divided by the total number of that property type to determine un-normalized fire risk factor. Finally, the risk factors are normalized based upon a factor of 1.00 for a single family property. Table 2 below tabulates the Fire Risk Factors for each property type.

**Table 2 – Fire Risk Factors**

Property Type	Normalized Fire Risk Factors
Single Family	1.0000
Multi-Family	1.8081
Commercial/Industrial	3.4403
Office	2.4102
Institutional	6.9004
Storage	20.4131
Agriculture - Orchards & Vineyards	0.4130
Agriculture - Rice & Flood Irrigation	0.4130
Agriculture - Pasture & Row Crops	0.3754
Agriculture - Dairy, Livestock, Animals	0.3379
Range Land & Open Space	0.0650
Vacant	0.2416

Analysis based upon:

2003 US Fire Problem Overview Report, NFPA, and an analysis of the percentage of properties by property type in the State of California by SCI

### Structure Value Factors

The relative value of different property types was evaluated within the Authority area to determine the Structure Value Factor according to the following formula:

#### Equation 2 - Structure Value Factors

$$\Sigma (\text{Structure Value Factors}) \approx (\text{Structure Weighting Factor} * \text{Average Improved Value}) + (\text{Land Weighting Factor} * \text{Average Total Value}) * (\text{Unity Density Factor})$$

Where:

- “Structure Weighting Factor” = 10 to “weight” relative importance of structure over land.
- “Average Improved Value” is average of value of all improvements (e.g. structures), per property type, as provided by County Assessor records.
- Land Weighting Factor = 1
- “Average Total Value” is average of value of all land + improvements (e.g. structures), per property type, as provided by County Assessor records. County Assessor land values were not used directly because experience has shown total values to be more comprehensive.
- Unit Density Factor corresponds to values with units (i.e. “per residential unit” or “per acre”) based upon effective density of structures on a parcel.

Table 3 below is a tabulation of the Structure values for each property type as defined by Equation 2, above.

**Table 3 – Structure Value Factors**

Property Type	Normalized Replacement Cost Factor	Unit
Single Family	1.0000	each
Multi-Family	0.3545	res unit
Commercial/Industrial	0.9315	acre
Office	1.1643	acre
Institutional	0.2984	each
Vacant	0.5171	each
Storage	0.0614	acre
Agriculture - Orchards & Vineyards	0.0069	acre
Agriculture - Rice & Flood Irrigation	0.0063	acre
Agriculture - Pasture & Row Crops	0.0063	acre
Agriculture - Dairy, Livestock, Animals	0.0076	acre
Range Land & Open Space	0.0084	acre

### An Example of Benefit Calculation

Below is an example of the benefit calculation per Formula 1 for Commercial/Industrial parcels to illustrate the methodology. (A summary of the results of all calculations is given in Table 4):

Commercial/Industrial Example:

The benefit is the fire risk times the structure value.

Benefit = (Fire Risk) \* (Structure Value)

The fire risk of commercial/industrial parcels is determined by taking the percentage of all fires in commercial/industrial parcels, and dividing it by the percentage of parcels that are commercial/industrial. The fire percentages are taken from the NFPA 2003 US Fire Problem Overview Report. The resulting figure is normalized relative to the risk of a single family home by taking the percentage of fires in single family homes over the percentage of parcels that are single family homes, and dividing that figure into the commercial/industrial fire risk figure.

Fire Risk = ((% of all fires) / (% of parcels)) / (normalization factor versus Single Family Residences)

% of all fires for commercial/industrial parcels = 9.147%

% of all fires for single family residences = 53.408%

% of commercial/industrial parcels = 3.366%

% of Single Family Residences = 67.617%

Fire Risk = ((9.147% of all fires) / (3.366% of all structures)) / ((67.617% of all fires) / (53.408% of all structures))

Fire Risk = 3.4403

The structure value is determined by analyzing the County Assessor's data and adding the weighted average structure value to the weighted average total value and normalizing the result in relation to a single family home. The weighted average structure value is determined by taking the total improved value for all commercial/industrial parcels in the benefit area, and dividing that number by the total acres for all commercial/industrial parcels in that area to determine the average improved value per acre, and weighting the result by multiplying it by 10. Similarly, the average total value is determined by taking the total value for all commercial/industrial parcels in the benefit area, and dividing that number by the total acres for all commercial/industrial parcels in that area, and weighting the result by multiplying it by 1. The weighted average structure value is added to the weighted average total value, and the resulting figure is normalized relative to the risk of a single family home by dividing it by the total improved value of all single family homes in the benefit area and then dividing the result by the average unit density of single family homes (in order to convert this information to acreage).

$$\text{Structure Value} = ((\text{Avg. Structure Value} * 10) + (\text{Avg. Total Value} * 1)) / (\text{normalization factor versus Single Family Homes}) * (\text{Avg. Unit Density (to convert to acreage)})$$

$$\text{Average Structure Value for commercial/industrial} = \$123,076 / \text{acre}$$

$$\text{Average Total Value for commercial/industrial} = \$175,653 / \text{acre}$$

$$\text{Normalization Factor for Single Family Homes} = \$510,001$$

$$\text{Average Unit Density Factor} = 0.125 \text{ acres}$$

$$\text{Structure Value} = (((\$123,076 * 10) + (\$175,653 * 1)) / (\$510,001)) * (0.125)$$

$$\text{Structure Value} = 0.3447 / \text{acre}$$

Since the Benefit is the Fire Risk times the Structure Value, the Commercial/Industrial benefit is 1.1859:

$$\text{Benefit} = (3.4403) * (0.3447) = 1.1859 / \text{acre}$$

## Summary of Benefits for Each Property Type

Per Equation 1, the relative special benefit for each property type (the “SFE” or “Single Family Equivalent” Benefit Units) is determined as the product of the normalized Fire Risk Factors and the normalized Structure Value Factors. Table 4, below, summarizes the benefit for each property type.

**Table 4 – Benefit Summary per Property Type**

Property Type	Fire Risk Factors	Replacement Cost Factors	SFE Factors	Unit
Single Family	1.0000	1.0000	1.0000	each
Multi-Family	1.8081	0.3025	0.5470	res unit
Commercial/Industrial	3.4403	0.5848	2.0119	acre
Office	2.4102	0.7310	1.7619	acre
Institutional	6.9004	0.2500	1.7251	each
Storage	20.4131	0.2924	5.9689	acre
Vacant	0.2416	0.5827	0.2500	each
Agriculture - Orchards & Vineyards	0.4130	0.0069	0.0029	acre
Agriculture - Rice & Flood Irrigation	0.4130	0.0063	0.0026	acre
Agriculture - Pasture & Row Crops	0.3754	0.0063	0.0024	acre
Agriculture - Dairy, Livestock, Animals	0.3379	0.0076	0.0026	acre
Range Land & Open Space	0.0650	0.0084	0.0005	acre

\*SFE factor has been converted from “Per Acre” to “Per Each Parcel” by multiplying by effective average area.

## Residential Properties

All improved residential properties with a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Residential properties on parcels that are larger than one acre receive additional benefit and are assigned additional SFEs on an “Agricultural/Pasture” basis. Detached or attached houses, zero-lot line houses and town homes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties benefit from the Services in proportion to the number of dwelling units that occupy each property. The relative benefit for multi-family properties was determined per Equation 1 to be 0.5470 SFEs per residential unit. This rate applies to condominiums as well.

### **Commercial/Industrial & Office Properties**

Commercial and industrial properties are assigned benefit units per acre, since there is a relationship between parcel size, structure size and relative benefits. The relative benefit for commercial and industrial properties was determined per Equation 1 to be 2.0119 SFEs per acre. The relative benefit for office properties was determined per Equation 1 to be 1.7619 SFEs per acre.

### **Vacant and Undeveloped Properties**

The relative benefit for vacant properties was determined per Equation 1 to be 0.2500 SFEs per parcel.

### **Rangeland & Open Space Properties**

The relative benefit for range land & open space properties was determined per Equation 1 to be 0.0005 SFEs per acre.

### **Agricultural Properties**

The relative benefit for agricultural properties requires additional analysis, as required by Government Code 50078 and the unique agricultural properties within the boundaries. This analysis considered how agricultural operations may mitigate risk, onsite or proximate water availability, response time, capability of the fire suppression service, and any other factors which reflect the benefit to the land resulting from the fire suppression service provided. Agricultural properties have been categorized as Agriculture - Orchards & Vineyards, Agriculture - Rice & Flood Irrigation, Agriculture - Pasture & Row Crops, Agriculture - Dairy, Livestock, Animals according to use and other attributes, and have been analyzed for fire risk and replacement cost per Equation 1. The relative benefit for agricultural properties was determined per Equation 1 to be 0.0029 SFEs per parcel for Agriculture - Orchards & Vineyards, 0.0026 SFEs per parcel for Agriculture - Rice & Flood Irrigation, 0.0024 SFEs per parcel for Agriculture - Pasture & Row Crops, and 0.0026 SFEs per parcel for Agriculture - Dairy, Livestock, Animals.

### **Other Properties**

Institutional properties such as publicly owned properties (and are used as such), for example, churches, are assessed at 1.7251 SFEs per parcel. The relative benefit for storage properties was determined per Equation 1 to be 5.9689 SFEs per acre.

Article XIID, Section 4 of the California Constitution states that publicly owned properties shall not be exempt from assessment unless there is clear and convincing evidence that those properties receive no special benefit.

All public properties that are specially benefited are assessed. Publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Miscellaneous, small and other parcels such as roads, right-of-way parcels typically do not have significant risk of fire damage. Moreover, for common area parcels, the fire benefits are assigned to the other improved parcels in the project that share common ownership of the common area. These miscellaneous parcels receive minimal benefit from the Services and are assessed an SFE benefit factor of 0.

### **Appeals of Assessments Levied to Property**

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment or for any other reason, may file a written appeal with the Fire Chief of the Mi-Wuk/Sugar Pine Fire Protection District or his or her designee. Any such appeal is limited to correction of an assessment during the then current fiscal year. Upon the filing of any such appeal, the Chief or his or her designee will promptly review the appeal and any information provided by the property owner. If the Chief or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County for collection, the Chief or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the Chief or his or her designee shall be referred to the Mi-Wuk/Sugar Pine Fire Protection District Board of Directors and the decision of the Board shall be final.



### **Additional Background on Relative Benefit**

When property owners are deciding how to cast their ballot for a proposed assessment, each property owner should weigh the perceived value of the Services proposed to them and their property with the proposed cost of the assessment to their property. If property owners of a certain type of property are either opposed or in support of the assessment in much greater percentages than owners of other property types, this is an indication that, as a group, these property owners perceive that the proposed assessment has relatively higher or lower “utility” or value to their property relative to owners of other property types. One can also infer from these hypothetical ballot results, that the apportionment of benefit (and assessments) was too high or too low for that property type. In other words, property owners, by their balloting, ultimately indicate if they perceive the special benefits to their property to exceed the cost of the assessment, and, as a group, whether the determined level of benefit and proposed assessment (the benefit apportionment made by the Assessment Engineer) is consistent with the level of benefits perceived by the owners of their type of property relative to the owners of other types of property.

### **Criteria and Policies**

This sub-section describes the criteria that shall govern the expenditure of assessment funds and ensures equal levels of benefit for properties of similar type. The criteria established in this Report, as finally confirmed, cannot be substantially modified; however, the Board may adopt additional criteria to further clarify certain criteria or policies established in this Report or to establish additional criteria or policies that do not conflict with this Report.

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**Duration of Assessment**

It is proposed that the Assessment be levied for fiscal year 2010-11 and continued every year thereafter, so long as the risk of fire on property in the Assessment District remains in existence and the Mi-Wuk/Sugar Pine Fire Protection District requires funding from the Assessment for improved fire protection and suppression services. As noted previously, if the Assessment and the duration of the Assessment are approved by property owners in an assessment ballot proceeding, the Assessment can be imposed and continued annually after the Mi-Wuk/Sugar Pine Fire Protection District Board of Directors approves an annually updated Engineer's Report, budget for the Assessment, Services to be provided, and other specifics of the Assessment. In addition, the District Board of Directors must hold an annual public hearing to continue the Assessment.

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**Assessment Funds Must Be Expended Within the District Area**

The net available assessment funds, after incidental, administrative, financing and other costs, shall be expended exclusively for Services within the boundaries of the Assessment District, namely, the District area.

## Assessment

**WHEREAS**, the Board of Directors of the Mi-Wuk/Sugar Pine Fire Protection District formed the Fire Protection and Emergency Response Services Assessment District and is proceeding with the continuation of assessments under California Government Code sections 50078 et seq. (the “Code”) and Article XIID of the California Constitution (the “Article”);

**WHEREAS**, the undersigned Engineer of Work has prepared and filed a report presenting an estimate of costs, a diagram for the Assessment District and an assessment of the estimated costs of the Services upon all assessable parcels within the Assessment District;

**NOW, THEREFORE**, the undersigned, by virtue of the power vested in me under said Code and Article and the order of the Board of said District, hereby make the following assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the Assessment District.

The amount to be paid for said Services and the expense incidental thereto, to be paid by the Assessment District for the fiscal year 2023-24 is generally as follows:

**Table 5 – Summary Cost Estimate**

FISCAL YEAR 2023-24 BUDGET	
Total for Servicing	\$819,610
Incidental Costs:	
Administration and Project Management	\$24,839
Total	\$844,449
Less: Carryover and Contribution for Special & General Benefits	(529,823.83)
Total Fire Suppression & Protection Services Budget	\$314,625

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said Assessment district. The distinctive number of each parcel or lot of land in said Assessment district is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby assess and apportion said net amount of the cost and expenses of said Services, including the costs and expenses incident thereto, upon the parcels and lots of land within said Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost Estimate and Method of Assessment hereto attached and by reference made a part hereof.

The assessment is subject to an annual adjustment tied to the Consumer Price Index-U for the San Francisco Bay Area as of December of each succeeding year (the "CPI"), with a maximum annual adjustment not to exceed 4%. Any change in the CPI in excess of 4% shall be cumulatively reserved as the "Unused CPI" and shall be used to increase the maximum authorized assessment rate in years in which the CPI is less than 4%. The maximum authorized assessment rate is equal to the maximum assessment rate in the first fiscal year the assessment was levied adjusted annually by the minimum of 1) 4% or 2) the change in the CPI plus any Unused CPI as described above.

The change in the CPI from December 2021 to December 2022 was 4.88% and the Unused CPI carried forward from the previous fiscal year is 0%. Therefore, the maximum authorized assessment rate for fiscal year 2023-24 is increased by 4.00% which equates to \$248.33 per single family equivalent benefit unit. The estimate of cost and budget in this Engineer's Report proposes assessments for fiscal year 2023-24 at the rate of \$248.33, which is equal to the maximum authorized assessment rate.

Since property owners in the Assessment District, in an assessment ballot proceeding, approved the initial fiscal year benefit assessment for special benefits to their property including the CPI adjustment schedule, the assessment may be continued annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. In the event that in future years the assessments are continued at a rate less than the maximum authorized assessment rate, the assessment rate in a subsequent year may be increased up to the maximum authorized assessment rate without any additional assessment ballot proceeding.

Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of Tuolumne County for the fiscal year 2023-24. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of Tuolumne County.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the amount of the assessment for the fiscal year 2023-24 for each parcel or lot of land within the said Assessment District.

Dated: May, 2023

Engineer of Work



By \_\_\_\_\_

John W. Bliss, License No. C052091

## Assessment Diagram

The Assessment District includes all properties within the boundaries of the Fire Protection and Emergency Response Services District. The boundaries of the Assessment District are displayed on the following Assessment Diagram. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions as shown on the maps of the Assessor of Tuolumne County, and are incorporated herein by reference, and made a part of this Diagram and this Report.



SCI Consulting Group  
4745 Mangaba Blvd  
Fairfield, CA 94534  
707-430-4300

**Mi-Wuk/Sugar Pine Fire Protection District  
Fire Protection and Emergency Response Services Assessment**

## Appendices

### Appendix A – Assessment Roll, Fiscal Year 2023-24

The Assessment Roll is made part of this report and is available for public inspection during normal office hours. Each lot or parcel listed on the Assessment Roll is shown and illustrated on the latest County Assessor records and these records are, by reference, made part of this report. These records shall govern for all details concerning the description of the lots of parcels.

## End Notes

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<sup>1</sup> Insurance Services Offices Inc.  
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

<sup>2</sup> Institute for Business & Home Safety, "Protect Your Home Against Wildfire Damage,"  
<http://www.ibhs.org/publications/view.asp?id=125>

<sup>3</sup> U.S. Fire Administration, Department of Homeland Security, "America Burning, Re-commissioned: Principal Findings and Recommendations," p.1,  
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

<sup>4</sup> U.S. Fire Administration, Department of Homeland Security, "America Burning, Re-commissioned: Principal Findings and Recommendations," p.2,  
<http://www.usfa.fema.gov/downloads/pdf/abr-rep.PDF>

<sup>5</sup> Insurance Services Offices Inc., p. 1,  
<http://www.rockwall.com/FireDepartment/Insurance%20Services%20Office%20Rating%20Information.pdf>

<sup>6</sup> Weldon, Leslie A. C., "Dealing with Public Concerns in Restoring Fire to the Forest," General Technical Report INT-GTR-341 The Use of Fire in Forest Restoration, U.S. Forest Service, June 1996, p. 3





# MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

*"Providing Quality Emergency Response And Fire Protection For The Public"*

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## RESOLUTION NO. 2023.06.13.1

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

### A RESOLUTION APPROVING ENGINEER'S REPORT, CONFIRMING DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY OF ASSESSMENTS FOR FISCAL YEAR 2023-24 FOR THE MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT FIRE SUPPRESSION AND PROTECTION SERVICES ASSESSMENT

**WHEREAS**, The Mi-Wuk/Sugar Pine Fire Protection District (the "District") was established in 1959 as a primarily volunteer fire department; and

**WHEREAS**, the mission of the District is to provide fire prevention, emergency response and emergency medical services throughout its boundaries; and

**WHEREAS**, the Mi-Wuk/Sugar Pine Fire Protection District is authorized, pursuant to the District provided in California Government Code Section 50078 et seq. and Article XIID of the California Constitution, to levy assessments for fire suppression services; and

**WHEREAS**, an assessment for fire suppression and protection services has been given the distinctive designation of the "Fire Suppression and Protection Services Assessment" ("Assessment"), and is primarily described as encompassing the District jurisdictional boundaries of the Mi-Wuk/Sugar Pine Fire Protection District; and

**WHEREAS**, the Assessment was authorized by an assessment ballot proceeding conducted in 2010 and approved by 76.19% of the weighted ballots returned by property owners, and such assessments were levied in fiscal year 2010-11 by the Board of Directors of the Mi-Wuk/Sugar Pine Fire Protection District by Resolution No. 2010.07.13.02 passed on July 13, 2010;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Mi-Wuk/Sugar Pine Fire Protection District that:

1. SCI Consulting Group, the Engineer of Work, prepared an engineer's report (the "Report") in accordance with Article XIID of the California Constitution. The Report have been made, filed with the secretary of the board and duly considered by the Board and are hereby deemed sufficient and preliminarily approved. The Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

2. On May 9, 2023, this Board adopted Resolution No. 2023.05.9.1 to continue to levy and collect Assessments for fiscal year 2023-24, preliminarily approving the Engineer's Report, and providing for notice of hearing on June 13, 2023, at the hour of SIX (6:00) p.m. at the Mi-Wuk/Sugar Pine Fire Protection District, located at 24247 Highway 108, Mi-Wuk Village, CA 95346.
3. At the appointed time and place the hearing was duly and regularly held, and all persons interested and desiring to be heard were given an opportunity to be heard, and all matters and things pertaining to the levy of Assessment were fully heard and considered by this Board, and this Board thereby acquired jurisdiction to order the levy of assessment prepared by and made a part of the Engineer's Report to pay the costs and expenses thereof.
4. The above recitals are true and correct.
5. The public interest, convenience and necessity require that the levy be made.
6. The Engineer's Report for the Assessment together with the proposed assessment roll for fiscal year 2023-24 is hereby confirmed and approved.
7. That based on the oral and documentary evidence, including the Engineer's Report offered and received at the public hearing, the Board expressly finds and determines that: (a) each of the several lots and parcels of land subject to the Assessment will be specially benefited by the services to be financed by the assessment proceeds in at least the amount of the assessment apportioned against such lots and parcels of land, respectively; (b) that the Assessment is levied without regard to property valuation; and (c) that there is substantial evidence to support, and the weight of the evidence preponderates in favor of, said finding and determination as to special benefit to property from the fire suppression and protection services to be financed with assessment proceeds.
8. That assessments for fiscal year 2023-24 shall be levied at the rate of TWO HUNDRED FORTY-EIGHT DOLLARS AND THIRTY THREE CENTS (\$248.33) per single-family equivalent benefit unit as specified in the Engineer's Report for fiscal year 2023-24 with estimated total annual assessment revenues as set forth in the Engineer's Report.
9. That the fire suppression and protection services to be financed with assessment proceeds described in the Engineer's Report are hereby ordered.
10. No later than August 10<sup>th</sup> following such adoption, the Board shall file a certified copy of the diagram and assessment and a certified copy of this resolution with the Auditor of the County of Tuolumne ("County Auditor"). Upon such filing, the County Auditor shall enter on the County assessment roll opposite each lot or parcel of land the amount of assessment thereupon as shown in the assessment. The assessments shall be collected at the same time and in the same manner as County taxes are collected and all the laws providing for collection and enforcement shall apply to the collection and enforcement of the assessments. After collection by the County, the net amount of the assessments, after deduction of any compensation due the County for collection, shall be paid to the Fire Suppression and Protection Services Assessment.

11. All revenues from Assessments shall be deposited in a separate fund established under the distinctive designation of the Mi-Wuk/Sugar Pine Fire Protection District, Fire Suppression and Protection Services Assessment.
12. The Assessment, as it applies to any parcel, may be corrected, cancelled or a refund granted as appropriate, by order of the Board of Directors of the District. Any such corrections, cancellations or refunds shall be limited to the current fiscal year.

The foregoing Resolution was PASSED and ADOPTED by the Board of Directors of the Mi-Wuk/Sugar Pine Fire Protection District at a regular meeting thereof held on June 13, 2023, at the Mi-Wuk/Sugar Pine Fire Protection District, located at 24247 Highway 108, Mi-Wuk Village, CA 95346.

AYES:

NOES:

ABSTAINED:

ABSENT:

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Jim McDonald, President, Board of Directors  
Mi-Wuk/Sugar Pine Fire Protection District

ATTEST:

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Bonnie Dahlin, Clerk, Board of Directors,  
Mi-Wuk/Sugar Pine Fire Protection District



# MI-WUK/SUGAR PINE FIRE PROTECTION DISTRICT

*"Providing Quality Emergency Response And Fire Protection For The Public"*

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## Minutes

Mi-Wuk Sugar Pine Fire Protection District

Board of Directors

Regular Meeting, 6:00 PM, Tuesday, May 9, 2023

Mi-Wuk Sugar Pine Fire Protection District

24247 Highway 108, Mi Wuk Village, California

1. Call to Order – 6:00 PM
2. Pledge of Allegiance
3. Roll Call
  - a. President McDonald - Present
  - b. Vice President Afshar - Absent
  - c. Treasurer Costa - Present
  - d. Director Doss - Present
  - e. Director Schwarz - Absent
  - f. Also Present:
    - i. Chief Klyn - Present
    - ii. Office Manager/Board Clerk Dahlin - Present
    - iii. Guests: There were none.
4. Oral Communications: This is the time for the public to address the Board of Directors on any matter not on the agenda, but within the jurisdiction of the Board of Directors. Each person shall be permitted to speak for no more than 5 minutes; persons speaking on the behalf of an organization may speak for no more than 15 minutes. Those wishing to speak on a matter that is on the agenda may do so at the time the item is taken up by the Board of Directors. – James Krussow requested that a revision to the rental agreement between himself and the District be placed on the next agenda. He also reported that the wildland safety class will be held at the Word of Life Church on May 10<sup>th</sup> and that his contact at Cal Fire has 1-3 digital radios available for the District engines.
5. Approval of the Minutes of the April 11, 2023 Regular Meeting.  
Moved to Approve: Director Doss    Seconded: Treasurer Costa  
Ayes:   3   Noes:   0   Absent:   2   Abstain:   0
6. Written Communications: There were none.
7. Reports:
  - a. Auxiliary Report: Ann Coleman, MWSPFPD Auxiliary President, was not present. President McDonald read her report that is in the meeting record.
  - b. CAL FIRE Report: No report
  - c. Chief's Reports: James Klyn, Fire Chief, read and elaborated on his written report that is in the meeting record.

8. Standing Committee Reports for Discussion and Action:

- a. District Policies & Procedures Committee: Director Doss. There was no meeting.
- b. Treasurers Report on Budget Committee and March Financial Summary; Treasurer Costa reviewed the reports and informed the board that the committee began work on FY24 preliminary budget.

i. Receive Tuolumne County Financial Reports

- 1. Tuolumne County Trial Balance for Month Ending March 31, 2023
- 2. Tuolumne County Budget vs Actual for Month Ending March 31, 2023

Moved to Receive: Director Doss    Seconded: President McDonald

Ayes:   3   Noes:   0   Absent:   2   Abstain:   0  

9. Discussion and Action Items:

- a. Resolution 2023.05.09.1 Intention To Levy Assessments For FY 2023/24, Preliminarily Approving Engineer's Report, And Providing For Notice Of Hearing on June 13, 2023, For The Mi-Wuk/Sugar Pine Fire Protection District Fire Suppression And Protection Services Assessment; President McDonald reviewed the process of the continuation of the benefit assessment. There is a proposed increase for FY24 of 4%, which equates to \$248.33 per single family equivalent. It was noted that the description of staffing needs to be updated in the final report to include the strike team funded health benefits.  
Moved to Approve: President McDonald    Seconded: Director Doss  
Ayes:   3   Noes:   0   Absent:   2   Abstain:   0
- b. Renewal or cancellation of Lexipol subscription set to renew July 1, 2023, for approximately \$3,320; Chief Klyn described the policy and training services subscribed to from Lexipol and explained that it is not user friendly, does not include many policies that are needed by the District and has not met his expectations.  
Director Doss moved to discontinue the contract with Lexipol and authorize Office Manager Dahlin to submit the notification as required.  
Seconded: Treasurer Costa  
Ayes:   3   Noes:   0   Absent:   2   Abstain:   0
- c. Establish Firefighter of the Year program, including a standard monetary award to be budgeted for in SDE Awards & Certificates – 528184; Director Doss discussed the need to budget more for this in the future. President McDonald referred this to the Budget Committee.
- d. Update on hydrant testing & maintenance program; Director Doss discussed a checklist of the items the firefighters would be trained on, which will be included in a future policy. He also updated the board on the status of the program being worked on with the water company.
- e. Local Ordinance for Cost Recovery Committee Report and possible draft resolution; Director Doss informed the board that they need to determine the amounts to be charged for each service, which could be based on OES rates.
- f. Replace tractor with one that will better suit the needs of the District - Tabled
- g. Proposal from Assurance Development, authorized representative for Vertical Bridge, to lease District property for a cell phone tower, and revised Option and Lease Agreement between Mi-Wuk Sugar Pine Fire Protection District and Vertical Bridge Development, LLC; Chief Klyn reported that he had the boards requested changes to the contract reviewed by legal and submitted them to Assurance Development. They sent it to their legal department and did not send it back to him until 30 minutes before this meeting which did not allow enough time to review it – Tabled

10. Continuing Business – Discussion Only. No Action Items:

- a. Staffing Levels and Recruitment – Chief reported that there is only one open position and there are applicants.
- b. Fleet

11. Director’s Comments and Requests:

- Directors may report about various matters involving the District.
- Directors may request matters to be included on subsequent meeting agenda(s) for discussion and/or action. The Director may be asked to make a **brief** clarification.
- No discussion will be allowed.
- No action will be taken.

There were no comments or requests.

12. Final audience comments: Jim Krussow reported that he provided some PR for the District in the course of teaching classes for Cal Fire and attending a Meet and Greet. David Straub reported that he and Kaleb represented District at a First Responders Meet and Greet at the fairgrounds with E774 and U779. Treasurer Costa invited them to be involved in an upcoming Meet and Greet at the station being planned by the Auxiliary.

13. Adjournment – 7:20 PM

Approved by the District Board of Directors in the meeting assembled June 13, 2023.

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Jim McDonald, Board President

## April 2023 Financial Summary

### Significant April Financial Activity and Budget Status

Target of 16.67% Remaining Budget for FY23

- As of April reports, have received \$515,436.43 in OES reimbursements
- March preposition deployments should total an approximate reimbursement of \$30,300, not yet reimbursed
- Paid \$6,018 in OES Admin pay (TC misposted part to Dept 230)
- Received \$86,387 in property tax revenue
- Received \$119,217 in benefit assessment revenue
- Paid Anthem Blue Cross Premium of \$3,044
- Paid \$2,021 Maint-Equip
- Paid \$1,550 Maint-Equip Vehicles - multiple vehicle repairs
- Paid \$1,492 PS&S-Legal
- Paid \$1,896 Travel & Trans-Fuel
- Paid \$2,336 Utilities - including \$923 in Dept 235 reimbursed by the Auxiliary
- Overall Salaries and Benefits (Dept 230) has 28% remaining
- Overall Services and Supplies (Dept 230) has 14% remaining
- Line items over budget due to annual payments, with no additional expected expenditures, are not noted as overbudget on the Budget vs Actual report.

### Cash Balance History

	FY 22/23	FY 21/22	FY 20/21	FY 19/20	FY 18/19	FY 17/18	FY 16/17	FY 15/16	FY 14/15
Jul 31	\$167,585.32	\$253,303.84	\$ 139,966.78	\$ 202,670.42	\$ 160,788.10	\$ 125,178.72	\$ 102,836.45	\$ 91,027.21	\$ 98,475.15
Aug 31	\$38,504.33	\$ 186,690.69	\$ 109,571.47	\$ 158,568.34	\$ 77,662.37	\$ 90,372.49	\$ 65,207.79	\$ 56,481.78	\$ 55,133.05
Sep 30	\$55.08	\$ 93,563.21	\$ 94.93	\$ 97,354.43	\$ 30,713.08	\$ 64,183.33	\$ 46,469.69	\$ 26,082.37	\$ 15,583.75
Oct 31	\$77.12	\$ 22,257.21	\$ 73.81	\$ 43,783.05	\$ 51.87	\$ 35,625.92	\$ 20,695.14	\$ 54.93	\$ 91.48
Nov 30	\$53.41	\$ 1,691.61	\$ 72.42	\$ 59.18	\$ 72.52	\$ 25,495.92	\$ 28,413.14	\$ 117.19	\$ 33.08
Dec 31	\$18,798.99	\$ 215,046.09	\$ 89.36	\$ 140,891.71	\$ 185,032.02	\$ 197,024.76	\$ 174,746.43	\$ 150,895.35	\$ 143,297.01
Jan 31	\$397,360.54	\$ 364,986.75	\$ 41.62	\$ 87,320.27	\$ 172,709.26	\$ 198,245.16	\$ 148,725.48	\$ 123,196.88	\$ 107,361.47
Feb 28	\$336,726.55	\$ 270,328.59	\$ 47.06	\$ 101,410.30	\$ 129,344.83	\$ 161,654.76	\$ 113,087.15	\$ 93,346.87	\$ 80,807.04
Mar 31	\$222,690.02	\$ 270,259.11	\$ 66,178.68	\$ 120,130.72	\$ 137,982.68	\$ 135,241.04	\$ 66,058.64	\$ 27,117.75	\$ 51,204.32
Apr 30	\$378,793.20	\$ 393,006.91	\$ 406,275.87	\$ 264,014.83	\$ 275,251.54	\$ 272,357.19	\$ 214,194.29	\$ 98,760.14	\$ 165,464.83
May 31		\$ 308,662.07	\$ 285,520.93	\$ 224,705.05	\$ 271,468.33	\$ 245,512.31	\$ 193,849.35	\$ 69,401.49	\$ 150,907.81
Jun 30		\$ 259,482.59	\$ 326,741.77	\$ 209,376.59	\$ 256,825.82	\$ 225,419.40	\$ 180,850.91	\$ 166,612.59	\$ 147,732.11

**April 30, 2023**  
**FEFS017TC Trial Balance**  
**Ledger: GL - General Ledger**  
**All Account Types**  
**Fiscal Period 10/2023**

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**Fund: 9030 - Mi-Wuk Fire District**

	Balance Forward	Debit	Credit	Net Amount	Ending Balance
<b>Type - 10 - Assets</b>					
100100 - Claim on Pooled Cash	222,690.02	211,346.18	55,243.00	156,103.18	378,793.20
100150 - Petty Cash	500.00	0.00	0.00	0.00	500.00
102000 - Accounts Receivable	0.00	0.00	0.00	0.00	0.00
102900 - Property Tax Receivable	0.00	0.00	0.00	0.00	0.00
102905 - Allowance for Uncollect Taxes	0.00	0.00	0.00	0.00	0.00
106980 - Due From Other Governments	0.00	0.00	0.00	0.00	0.00
110000 - Prepaid Expenses	0.00	0.00	0.00	0.00	0.00
120000 - Land	73,132.00	0.00	0.00	0.00	73,132.00
122000 - Structures & Improvements	753,846.64	0.00	0.00	0.00	753,846.64
124000 - Equipment	370,583.88	0.00	0.00	0.00	370,583.88
129100 - Accum Depreciation-Structures	(359,388.00)	0.00	0.00	0.00	(359,388.00)
129200 - Accum Depreciation-Equipment	(145,528.92)	0.00	0.00	0.00	(145,528.92)
<b>10 Type Total</b>	<b>915,835.62</b>	<b>211,346.18</b>	<b>55,243.00</b>	<b>156,103.18</b>	<b>1,071,938.80</b>
<b>Type - 20 - Liabilities</b>					
202100 - Accounts Payable	0.00	11,728.85	11,728.85	0.00	0.00
202200 - Sales Tax Payable	(283.91)	0.00	0.00	0.00	(283.91)
203100 - Salaries Payable	0.00	0.00	0.00	0.00	0.00
203200 - Federal Withholding Payable	0.00	0.00	0.00	0.00	0.00
203210 - FICA Payable	0.00	0.00	0.00	0.00	0.00
203220 - State Withholding Payable	0.00	0.00	0.00	0.00	0.00
203230 - State Disability Payable	0.00	0.00	0.00	0.00	0.00
203310 - Deferred Compensation Payable	0.00	0.00	0.00	0.00	0.00
203400 - Health Insurance Payable	0.00	0.00	0.00	0.00	0.00
203420 - Workers Compensation Payable	0.00	0.00	0.00	0.00	0.00
203910 - Accrued Vacation	(9,424.00)	0.00	0.00	0.00	(9,424.00)
203920 - Accrued Sick	(8,745.00)	0.00	0.00	0.00	(8,745.00)
205310 - Advances From Other	0.00	0.00	0.00	0.00	0.00



**FEFS017TC Trial Balance**

Ledger: GL - General Ledger

All Account Types

Fiscal Period 10/2023

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	Balance Forward	Debit	Credit	Net Amount	Ending Balance
Funds					
<b>20 Type Total</b>	<b>(18,452.91)</b>	<b>11,728.85</b>	<b>11,728.85</b>	<b>0.00</b>	<b>(18,452.91)</b>
<b>Type - 30 - Fund Balance</b>					
331200 - Agency Obligation	(216,952.16)	0.00	0.00	0.00	(216,952.16)
380600 - Capital Assets, Net	(692,645.60)	0.00	0.00	0.00	(692,645.60)
<b>30 Type Total</b>	<b>(909,597.76)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(909,597.76)</b>
<b>Type - 40 - Revenues</b>					
411110 - Ppty Taxes-Current Secured	(116,409.39)	2,608.63	86,154.02	(83,545.39)	(199,954.78)
412110 - Ppty Taxes-Current Unsecured	(4,347.65)	0.00	0.00	0.00	(4,347.65)
416110 - Ppty Taxes-Supplemental	(1,910.38)	0.00	2,111.51	(2,111.51)	(4,021.89)
441110 - Interest Income	(1,746.94)	0.00	0.00	0.00	(1,746.94)
458110 - State-Homeowners Property Tax	(901.76)	0.00	730.32	(730.32)	(1,632.08)
459119 - State-Emergency Fire Fighting	(512,757.91)	0.00	2,678.52	(2,678.52)	(515,436.43)
469840 - Other Govts-San Francisco	(613.00)	0.00	0.00	0.00	(613.00)
471211 - Benefit Assessments-Fire Assmt	(164,714.93)	2,109.00	121,326.50	(119,217.50)	(283,932.43)
474200 - IEC In-Service Training Prog	(2,248.00)	0.00	0.00	0.00	(2,248.00)
483111 - Misc Income-Reimbursements	0.00	0.00	0.00	0.00	0.00
483450 - Refunds-Insurance Premiums	(658.13)	0.00	0.00	0.00	(658.13)
496060 - Donations-Auxiliary Utilities	(3,981.02)	0.00	766.19	(766.19)	(4,747.21)
496063 - Donations-Auxiliary Clothing	(939.06)	0.00	0.00	0.00	(939.06)
496065 - Donations-Auxiliary Misc	(4,616.37)	0.00	428.43	(428.43)	(5,044.80)
<b>40 Type Total</b>	<b>(815,844.54)</b>	<b>4,717.63</b>	<b>214,195.49</b>	<b>(209,477.86)</b>	<b>(1,025,322.40)</b>
<b>Type - 50 - Expenditures</b>					
511110 - Salaries-Reg	491,680.92	19,122.22	0.00	19,122.22	510,803.14
511115 - Salaries-Part Time	0.00	150.00	0.00	150.00	150.00
511120 - Salaries-Reserve	27,242.61	3,698.40	27.57	3,670.83	30,913.44
511125 - Salaries-Overtime	42,654.90	6,252.00	0.00	6,252.00	48,906.90
511140 - Salaries-Termination	3,232.16	0.00	0.00	0.00	3,232.16
511147 - Salaries-Emergency Admin	1,692.96	6,017.52	0.00	6,017.52	7,710.48
512115 - FICA	42,639.16	2,693.77	0.00	2,693.77	45,332.93

**FEFS017TC Trial Balance**

Ledger: GL - General Ledger

All Account Types

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	<b>Balance Forward</b>	<b>Debit</b>	<b>Credit</b>	<b>Net Amount</b>	<b>Ending Balance</b>
512120 - Unemployment Insurance	1,125.00	125.00	0.00	125.00	1,250.00
512305 - Employees Group Insurance	42,023.62	3,495.11	450.82	3,044.29	45,067.91
512325 - Life Insurance	2,560.25	20.25	0.00	20.25	2,580.50
512330 - Workers Comp Insurance	15,070.48	0.00	0.00	0.00	15,070.48
512505 - Employee Physicals	0.00	175.00	0.00	175.00	175.00
512510 - Recruitment Expense	1,925.60	237.00	0.00	237.00	2,162.60
521145 - Small Tools	123.36	0.00	0.00	0.00	123.36
521150 - Expendable Equipment	10,094.02	0.00	0.00	0.00	10,094.02
521173 - Food-Other	0.00	129.98	0.00	129.98	129.98
521180 - Clothing & Personal Supplies	5,048.30	165.43	0.00	165.43	5,213.73
521190 - Household Expense	1,916.40	606.36	0.00	606.36	2,522.76
521310 - Communications	3,405.45	330.31	0.00	330.31	3,735.76
521610 - Insurance	17,674.00	0.00	0.00	0.00	17,674.00
522125 - Maint-Equipment	3,680.16	2,020.74	0.00	2,020.74	5,700.90
522130 - Maint-Equip Vehicles	29,459.30	1,549.59	0.00	1,549.59	31,008.89
522150 - Maint-Equip Radio	0.00	0.00	0.00	0.00	0.00
522205 - Maint-Buildings & Improvements	2,458.36	564.72	0.00	564.72	3,023.08
522225 - Maint-Grounds	2,033.72	900.00	900.00	0.00	2,033.72
522600 - Fire Extinguisher Testing	310.00	0.00	0.00	0.00	310.00
523210 - Dues & Memberships	3,588.43	0.00	0.00	0.00	3,588.43
525110 - Office Expense	678.82	517.50	517.50	0.00	678.82
525140 - Office-Photocopy	337.10	28.50	0.00	28.50	365.60
525150 - Office-Postage	351.45	0.00	0.00	0.00	351.45
526110 - PS&S-Professional Services	15,419.37	0.00	0.00	0.00	15,419.37
526116 - PS&S-Legal	3,952.50	1,492.00	0.00	1,492.00	5,444.50
526124 - PS&S-Auditor-Controller	1,627.50	159.25	0.00	159.25	1,786.75
527210 - Rents-Equipment	976.00	193.25	0.00	193.25	1,169.25
527310 - Rents-Buildings & Improvements	135.00	0.00	0.00	0.00	135.00
528000 - SDE Special Department Expense	1,068.78	0.00	0.00	0.00	1,068.78
528184 - SDE-Awards & Certificates	68.46	0.00	0.00	0.00	68.46
528205 - SDE-Refunds	658.13	0.00	0.00	0.00	658.13

**FEFS017TC Trial Balance**

Ledger: GL - General Ledger

All Account Types

Fiscal Period 10/2023

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	<b>Balance Forward</b>	<b>Debit</b>	<b>Credit</b>	<b>Net Amount</b>	<b>Ending Balance</b>
529105 - Travel	1,350.01	0.00	0.00	0.00	1,350.01
529110 - Travel & Trans-Fuel	13,471.57	2,173.50	0.00	2,173.50	15,645.07
529112 - Travel & Trans-Priv Auto	541.60	62.68	0.00	62.68	604.28
529116 - Training-Travel	1,281.21	54.25	0.00	54.25	1,335.46
529134 - Travel & Trans-Rent Payment	22,820.54	0.00	0.00	0.00	22,820.54
529210 - Utilities	11,682.39	2,336.24	0.00	2,336.24	14,018.63
<b>50 Type Total</b>	<b>828,059.59</b>	<b>55,270.57</b>	<b>1,895.89</b>	<b>53,374.68</b>	<b>881,434.27</b>
<b>9030 - Mi-Wuk Fire District Total</b>	<b>0.00</b>	<b>283,063.23</b>	<b>283,063.23</b>	<b>0.00</b>	<b>0.00</b>

Dept. 230  
**Budget vs Actual**  
**Tuolumne County of Tuolumne**  
**Mi-Wuk Fire District**

For 2023 Period Apr

Run Date: May 26, 2023 3:47:07 PM

GL Key	Object	Description	Budget	Current Period	Encumbrances	Year to Date	Remaining	Percent Remaining	Target
<b>9030204230 - Mi-Wuk Fire District</b>									<b>16.67%</b>
9030204230	411110	Ppty Taxes-Current Secured	205,453.00	83,545.39	0.00	199,954.78	5,498.22	3%	
9030204230	412110	Ppty Taxes-Current Unsecured	4,538.00	0.00	0.00	4,347.65	190.35	4%	
9030204230	414110	Ppty Taxes-Prior Unsecured	80.00	0.00	0.00	0.00	80.00	100%	
9030204230	416110	Ppty Taxes-Supplemental	5,158.00	2,111.51	0.00	4,021.89	1,136.11	22%	
<b>Total Taxes</b>			<b>215,229.00</b>	<b>85,656.90</b>	<b>0.00</b>	<b>208,324.32</b>	<b>6,904.68</b>	<b>3%</b>	
9030204230	441110	Interest Income	1,500.00	0.00	0.00	1,746.94	-246.94	-16%	
<b>Total Use of Money &amp; Property</b>			<b>1,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,746.94</b>	<b>-246.94</b>	<b>-16%</b>	
9030204230	458110	State-Homeowners Property Tax	2,030.00	730.32	0.00	1,632.08	397.92	20%	
<b>Total State Revenue</b>			<b>2,030.00</b>	<b>730.32</b>	<b>0.00</b>	<b>1,632.08</b>	<b>397.92</b>	<b>20%</b>	
9030204230	469840	Other Govts-San Francisco	613.00	0.00	0.00	613.00	0.00	0%	
<b>Total Other Governments</b>			<b>613.00</b>	<b>0.00</b>	<b>0.00</b>	<b>613.00</b>	<b>0.00</b>	<b>0%</b>	
9030204230	471211	Benefit Assessments-Fire Assmt	302,526.00	119,217.50	0.00	283,932.43	18,593.57	6%	
<b>Total Charges for Services</b>			<b>302,526.00</b>	<b>119,217.50</b>	<b>0.00</b>	<b>283,932.43</b>	<b>18,593.57</b>	<b>6%</b>	
9030204230	483450	Refunds-Insurance Premiums	659.00	0.00	0.00	658.13	0.87	0%	
<b>Total Miscellaneous Revenue</b>			<b>659.00</b>	<b>0.00</b>	<b>0.00</b>	<b>658.13</b>	<b>0.87</b>	<b>0%</b>	
<b>Total Revenue</b>			<b>522,557.00</b>	<b>205,604.72</b>	<b>0.00</b>	<b>496,906.90</b>	<b>25,650.10</b>	<b>5%</b>	
9030204230	511110	Salaries-Reg	282,180.00	19,122.22	0.00	210,610.16	71,569.84	25%	
9030204230	511115	Salaries-Part Time	0.00	150.00	0.00	150.00	-150.00		
9030204230	511120	Salaries-Reserve	75,600.00	3,670.83	0.00	30,913.44	44,686.56	59%	
9030204230	511125	Salaries-Overtime	61,000.00	6,252.00	0.00	48,906.90	12,093.10	20%	
9030204230	511140	Salaries-Termination	2,167.00	0.00	0.00	3,232.16	-1,065.16	-49% Over budget	
9030204230	511147	Salaries-Emergency Admin	0.00	4,585.38	0.00	4,585.38	-4,585.38		
9030204230	512115	FICA	29,352.00	2,584.21	0.00	22,397.98	6,954.02	24%	
9030204230	512120	Unemployment Insurance	1,500.00	125.00	0.00	1,250.00	250.00	17%	
9030204230	512305	Employees Group Insurance	63,600.00	3,044.29	0.00	45,067.91	18,532.09	29%	
9030204230	512325	Life Insurance	2,662.00	20.25	0.00	2,580.50	81.50	3%	
9030204230	512330	Workers Comp Insurance	15,071.00	0.00	0.00	15,070.48	0.52	0%	
9030204230	512505	Employee Physicals	450.00	175.00	0.00	175.00	275.00	61%	
9030204230	512510	Recruitment Expense	2,000.00	237.00	0.00	2,162.60	-162.60	-8% Over budget	
<b>Total Salaries and Benefits</b>			<b>535,582.00</b>	<b>39,966.18</b>	<b>0.00</b>	<b>387,102.51</b>	<b>148,479.49</b>	<b>28% Under budget</b>	
9030204230	521145	Small Tools	500.00	0.00	0.00	123.36	376.64	75%	
9030204230	521150	Expendable Equipment	4,150.00	0.00	0.00	4,967.16	-817.16	-20% Over budget	
9030204230	521173	Food-Other	255.00	0.00	0.00	0.00	255.00	100%	
9030204230	521180	Clothing & Personal Supplies	4,500.00	165.43	0.00	4,274.67	225.33	5% Over budget	
9030204230	521190	Household Expense	2,100.00	307.91	0.00	815.26	1,284.74	61%	
9030204230	521310	Communications	4,500.00	330.31	0.00	3,735.76	764.24	17%	
9030204230	521610	Insurance	17,674.00	0.00	0.00	17,674.00	0.00	0%	
9030204230	522120	Maint-Internal Vehicles	5,000.00	0.00	0.00	0.00	5,000.00	100%	
9030204230	522125	Maint-Equipment	6,000.00	2,020.74	0.00	5,700.90	299.10	5% Over budget	
9030204230	522130	Maint-Equip Vehicles	34,000.00	1,549.59	0.00	30,939.29	3,060.71	9% Over budget	
9030204230	522205	Maint-Buildings & Improvements	3,000.00	564.72	0.00	2,603.08	396.92	13% Over budget	
9030204230	522225	Maint-Grounds	1,500.00	0.00	0.00	2,033.72	-533.72	-36% Over budget	
9030204230	522600	Fire Extinguisher Testing	340.00	0.00	0.00	310.00	30.00	9% Over budget	
9030204230	523210	Dues & Memberships	4,273.00	0.00	0.00	3,588.43	684.57	16%	
9030204230	525110	Office Expense	1,000.00	0.00	0.00	385.80	614.20	61%	
9030204230	525140	Office-Photocopy	700.00	28.50	0.00	365.60	334.40	48%	
9030204230	525150	Office-Postage	400.00	0.00	0.00	351.45	48.55	12% Over budget	
9030204230	525200	Publications & Legal Notices	175.00	0.00	0.00	0.00	175.00	100%	
9030204230	526106	PS&S-Tax Admin Fee	5,100.00	0.00	0.00	0.00	5,100.00	100%	
9030204230	526107	PS&S-Tax Parcel Fee	4,000.00	0.00	0.00	0.00	4,000.00	100%	
9030204230	526110	PS&S-Professional Services	15,439.00	0.00	0.00	15,419.37	19.63	0%	
9030204230	526116	PS&S-Legal	5,500.00	1,492.00	0.00	5,444.50	55.50	1% Over budget	
9030204230	526124	PS&S-Auditor-Controller	2,000.00	159.25	0.00	1,786.75	213.25	11% Over budget	

**Budget vs Actual**  
**Tuolumne County of Tuolumne**  
**Mi-Wuk Fire District**

For 2023 Period Apr

Run Date: May 26, 2023 3:47:07 PM

GL Key	Object	Description	Budget	Current Period	Encumbrances	Year to Date	Remaining	Percent Remaining
9030204230	527210	Rents-Equipment	1,410.00	193.25	0.00	1,169.25	240.75	17%
9030204230	527310	Rents-Buildings & Improvements	135.00	0.00	0.00	135.00	0.00	0%
9030204230	528000	SDE Special Department Expense	1,200.00	0.00	0.00	1,068.78	131.22	11% Over budget
9030204230	528184	SDE-Awards & Certificates	50.00	0.00	0.00	68.46	-18.46	-37% Over budget
9030204230	528205	SDE-Refunds	659.00	0.00	0.00	658.13	0.87	0%
9030204230	529105	Travel	1,000.00	0.00	0.00	986.96	13.04	1% Over budget
9030204230	529110	Travel & Trans-Fuel	15,800.00	1,896.28	0.00	14,333.08	1,466.92	9% Over budget
9030204230	529112	Travel & Trans-Priv Auto	550.00	62.68	0.00	604.28	-54.28	-10% Over budget
9030204230	529116	Training-Travel	3,500.00	54.25	0.00	1,335.46	2,164.54	62%
9030204230	529134	Travel & Trans-Rent Payment	22,821.00	0.00	0.00	22,820.54	0.46	0%
9030204230	529210	Utilities	9,300.00	1,413.32	0.00	8,958.47	341.53	4% Over budget
<b>Total Services and Supplies</b>			<b>178,531.00</b>	<b>10,238.23</b>	<b>0.00</b>	<b>152,657.51</b>	<b>25,873.49</b>	<b>14% Over budget</b>
9030204230	691110	Appropriation-Contingencies	183,362.00	0.00	0.00	0.00	183,362.00	100%
9030204230	691114	Contingency-Employee Health Be	18,750.00	0.00	0.00	0.00	18,750.00	100%
<b>Total Contingencies</b>			<b>202,112.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>202,112.00</b>	<b>100%</b>
<b>Total Expenditures</b>			<b>916,225.00</b>	<b>50,204.41</b>	<b>0.00</b>	<b>539,760.02</b>	<b>376,464.98</b>	<b>41%</b>
<b>Total Net Mi-Wuk Fire District</b>			<b>-393,668.00</b>	<b>155,400.31</b>	<b>0.00</b>	<b>-42,853.12</b>	<b>-350,814.88</b>	

Dept. 235  
**Budget vs Actual**  
**Tuolumne County of Tuolumne**  
**Mi-Wuk Fire Special Projects**

For 2023 Period Apr

Run Date: May 26, 2023 3:47:07 PM

GL Key	Object	Description	Budget	Current Period	Encumbrances	Year to Date	Remaining	Percent Remaining
<b>9030204235 - Mi-Wuk Fire Special Projects</b>								
9030204235	459119	State-Emergency Fire Fighting	515,515.00	2,678.52	0.00	515,436.43	78.57	0%
<b>Total State Revenue</b>			<b>515,515.00</b>	<b>2,678.52</b>	<b>0.00</b>	<b>515,436.43</b>	<b>78.57</b>	<b>0%</b>
9030204235	474200	IEC In-Service Training Prog	0.00	0.00	0.00	2,248.00	-2,248.00	
<b>Total Charges for Services</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,248.00</b>	<b>-2,248.00</b>	<b>/0</b>
9030204235	496060	Donations-Auxiliary Utilities	4,900.00	766.19	0.00	4,747.21	152.79	3%
9030204235	496063	Donations-Auxiliary Clothing	0.00	0.00	0.00	939.06	-939.06	
9030204235	496065	Donations-Auxiliary Misc	14,600.00	428.43	0.00	5,044.80	9,555.20	65%
<b>Total Other Finance Sources</b>			<b>19,500.00</b>	<b>1,194.62</b>	<b>0.00</b>	<b>10,731.07</b>	<b>8,768.93</b>	<b>45%</b>
<b>Total Revenue</b>			<b>535,015.00</b>	<b>3,873.14</b>	<b>0.00</b>	<b>528,415.50</b>	<b>6,599.50</b>	<b>1%</b>
9030204235	511110	Salaries-Reg	277,927.00	0.00	0.00	300,192.98	-22,265.98	-8%
9030204235	511147	Salaries-Emergency Admin	20,000.00	1,432.14	0.00	3,125.10	16,874.90	84%
9030204235	512115	FICA	22,852.00	109.56	0.00	22,934.95	-82.95	0%
9030204235	512330	Workers Comp Insurance	16,575.00	0.00	0.00	0.00	16,575.00	100%
<b>Total Salaries and Benefits</b>			<b>337,354.00</b>	<b>1,541.70</b>	<b>0.00</b>	<b>326,253.03</b>	<b>11,100.97</b>	<b>3%</b>
9030204235	521150	Expendable Equipment	10,600.00	0.00	0.00	5,126.86	5,473.14	52%
9030204235	521173	Food-Other	600.00	129.98	0.00	129.98	470.02	78%
9030204235	521180	Clothing & Personal Supplies	0.00	0.00	0.00	939.06	-939.06	
9030204235	521190	Household Expense	2,000.00	298.45	0.00	1,707.50	292.50	15%
9030204235	522130	Maint-Equip Vehicles	25.00	0.00	0.00	69.60	-44.60	-178%
9030204235	522205	Maint-Buildings & Improvements	560.00	0.00	0.00	420.00	140.00	25%
9030204235	525110	Office Expense	300.00	0.00	0.00	293.02	6.98	2%
9030204235	528000	SDE Special Department Expense	540.00	0.00	0.00	0.00	540.00	100%
9030204235	529105	Travel	370.00	0.00	0.00	363.05	6.95	2%
9030204235	529110	Travel & Trans-Fuel	1,050.00	277.22	0.00	1,311.99	-261.99	-25%
9030204235	529210	Utilities	4,900.00	922.92	0.00	5,060.16	-160.16	-3%
<b>Total Services and Supplies</b>			<b>20,945.00</b>	<b>1,628.57</b>	<b>0.00</b>	<b>15,421.22</b>	<b>5,523.78</b>	<b>26%</b>
<b>Total Expenditures</b>			<b>358,299.00</b>	<b>3,170.27</b>	<b>0.00</b>	<b>341,674.25</b>	<b>16,624.75</b>	<b>5%</b>
<b>Total Net Mi-Wuk Fire Special Projects</b>			<b>176,716.00</b>	<b>702.87</b>	<b>0.00</b>	<b>186,741.25</b>	<b>-10,025.25</b>	
<b>Total Revenues</b>			<b>1,057,572.00</b>	<b>1,025,322.40</b>	<b>0.00</b>	<b>1,025,322.40</b>	<b>32,249.60</b>	<b>1.97</b>
<b>Total Expenditures</b>			<b>1,274,524.00</b>	<b>881,434.27</b>	<b>0.00</b>	<b>881,434.27</b>	<b>393,089.73</b>	<b>0.31</b>
<b>Net Total</b>			<b>-216,952.00</b>	<b>143,888.13</b>	<b>0.00</b>	<b>143,888.13</b>	<b>-360,840.13</b>	<b>166%</b>

**DEPARTMENT OF TRANSPORTATION**

District 10

Central Region Right of Way

P.O. BOX 2048 STOCKTON, CA 95201-2048

(1976 E. Dr. Martin Luther King Way 95205)

TDD (209) 948-7981

FAX (209) 948-7641

PHONE (209) 948-3806

*Flex your power!  
Be energy efficient!*

April 27, 2023

10-TOU-108 PM: 13.80  
Parcel 10-007317-0001-02

Subject: Lease Renewal

*Protection*

Mi Wuk Sugar Pine Fire ~~Prevention~~ District  
PO BOX 530  
Mi Wuk Village, CA 95346

Enclosed you will find a Lease Renewal, which contains all of the existing terms and conditions pertaining to your existing ground lease for parcel 10-007317-0001-02. Please note since All payments were made timely per the conditions of your original Lease Agreement that recently expired it was best to backdate this Renewal.

If you agree please review and sign all copies and return the two copies in the postage paid envelope. Retain one copy for your records.

Should you have any questions or require assistance at any time during this term feel free to contact me at (209) 948-3806. In the event I am unavailable please contact my immediate supervisor Christopher Ciero at (209) 693-3463, or [christopher.ciero@dot.ca.gov](mailto:christopher.ciero@dot.ca.gov) or my office Chief James Gonzalez at 209-948-7844/ [james.gonzalez@dot.ca.gov](mailto:james.gonzalez@dot.ca.gov).

Kind regards,

STACY ERVIN  
Associate Right of Way AgentEnclosures:  
Lease Agreement 10-007317-0001-02

**DRAFT**

STATE OF CALIFORNIA • DEPARTMENT OF  
TRANSPORTATION  
**LEASE RENEWAL**  
(Form #)

CONFIDENTIAL  
This document contains personal  
information and pursuant to Civil  
Code 1798.21, it shall be kept  
confidential in order to protect against  
unauthorized disclosure.

EXHIBIT  
11-EX-G (NEW 7/2005)

**LEASE RENEWAL**

10-TOU-108: P.M:13.80  
Account No. **10-007317-0001-02**

THIS LEASE RENEWAL made this **1st day of February 2023**, at Stockton California, by and between the State of California, Department of Transportation, Lessor, and **Mi-Wuk Sugar Pine Fire Protection District** Lessee, of **parcel located at P.M. 13.80 at Sugar Pine Cutoff, Sugar Pine CA.**

**WITNESSETH**

WHEREAS, Lessor and Lessee did on the 21st day of September 2017, enter into that certain original lease agreement identified as **Account 10-007317-0001-02**, covering land in the County of Tuolumne, State of California, commonly known as, Mi Wuk/Sugar Pine, CA as more particularly described in said lease, the term of which lease **expires on the 28<sup>th</sup> day of February 2023**, and

WHEREAS, it is mutually desired and agreed to extend the lease for a further period of time,

NOW, THEREFORE, it is hereby mutually agreed to extend the term of said Lease for a period of (five) years commencing on **the 1<sup>st</sup> day of March 2023, and ending on the 29th day of February 2028**, under the same terms, covenants and conditions contained in said Lease, except as modified by this instrument which said terms, covenants, and conditions are by this reference incorporated herein.

- I. Paragraph 2, on Page 1, is hereby modified that the rental term extends for 5 years and expires on the 29th day of February 2028.**
- II Paragraph 3, on Page 1, is hereby modified that the rent amount of \$135.00 and late fee of \$8.10 is subject to change upon the completion of an annual Fair Market Rent Determination and signed Lease Amendment.**

All other terms and conditions remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Renewal the day and year first above written.

By: \_\_\_\_\_  
LESSEE: MI-WUK SUGAR PINE FIRE  
PROTECTION DISTRICT

Approval Recommended By:

**STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION**

CHRIS CIERO, Chief Real Property Services

STACY ERVIN, Property Management

**ADA Notice**

For individuals with disabilities, this document is available in alternate formats. For information call (916) 654-5413 Voice, CRS: 1-800-735-2929, or write Right of Way, 1120 N Street, MS-37, Sacramento, CA 95814.





# MI-WUK SUGAR PINE FIRE PROTECTION DISTRICT

*"Providing Quality Emergency Response And Fire Protection For The Public"*

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## VEHICLE RENTAL AGREEMENT

This Vehicle Rental Agreement ("AGREEMENT") supersedes and replaces the previous agreement of September 13, 2022 and is entered into this day, June 13, 2023 between Mi Wuk Sugar Pine Fire Protection District ("DISTRICT") and Delfred Carol Dodrill ("OWNER") and shall remain in place until either party terminates the AGREEMENT. This AGREEMENT may be immediately terminated by either party without cause by serving written notice.

Let it be known that this AGREEMENT pertains to one 2008 Ford F350, ICS Type VI, VIN# 1FDWX35R18EA79459, designated as E775 ("E775"), sole property of OWNER.

Let it be known that OWNER has agreed to allow DISTRICT use of E775 within the district for coverage and initial attack purposes on a *gratis* (no charge) basis except for replenishment of vehicle/fire pump fuels and foam concentrate.

Let it be known that OWNER has agreed to rent E775 to DISTRICT at a discounted daily rental rate (not available to other public agencies) on major incidents. The special DISTRICT rate will be \$75.00 per hour (16-hour daily max) with the understanding that DISTRICT is able to re-bill state and federal agencies at an approximate rate of \$130.00 per hour.

Let it be known that rental of E775 is conditioned on the following:

- (1) MWSP FD Chief Klyn or Ass't Chief Krussow will accompany E775 on assignments as primary operator, and
- (2) operator will receive wages based on the ABH or CFAA agreement in place at that time, as a DISTRICT employee during any assignments.

Let it be known that ABH or CFAS activations would be formally requested and authorized on each occasion by the Fire Chief, or board member designee, of DISTRICT.

Let it be known that, due to an obvious conflict of interest, OWNER will not be able to authorize compensable deployments or other activities personally.

Let it be known that a signed conflict of interest statement form declaring the interest(s) of OWNER is required to be on file and publicly available.

Let it be known that the AGREEMENT does not obligate either party to perform:

- (1) Each opportunity to utilize (i.e. rent) E775 will be conditioned on the best interest of DISTRICT as determined by the Fire Chief, or designee, and
- (2) OWNER may not always be able to make E775 available on short notice and in such a case OWNER may decline an opportunity without penalty or loss of DISTRICT good will.

Let it be known that the DISTRICT will have the responsibility of all insurance accrued on such known vehicle without charge to OWNER.

---

Jim McDonald, President, Board of Directors  
Mi-Wuk/Sugar Pine Fire Protection District

---

Delfred Carol Dodrill

RECEIVED MAY 23 2023



1112 I Street, Suite 300  
Sacramento, California 95814-2865  
T 916.231.4141 or 800.537.7790 • F 916.231.4111

Maximizing Protection. Minimizing Risk. • [www.sdrma.org](http://www.sdrma.org)

May 15, 2023

Ms. Bonnie Dahlin  
Office Manager  
Mi-Wuk/Sugar Pine Fire Protection District  
Post Office Box 530  
Mi- Wuk Village, California 95346

RE: Notification of Election Ballot – 2023 SDRMA Board of Directors Election

Dear Ms. Dahlin,

The Special District Risk Management Authority (SDRMA) Board of Directors 2023 Election began in January, with the opening of nominations. On May 11, 2023, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2022-06 Establishing Guidelines for Director Elections. The Election Committee confirmed that (4) candidates met the qualification requirements, and those names are included on the Official Election Ballot.

**The Official Election Ballot Document Packet has been posted to MemberPlus and includes the following:**

- *Election Ballot Instructions*
- *Official Election Ballot (Action Required)*
- *Candidate's Statements of Qualifications (4)*

The signed Official (wet signature) Election Ballot **MUST** be sealed and received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Tuesday, August 8, 2023, to the address below. Faxes or electronic transmissions are NOT acceptable.

Special District Risk Management Authority  
Election Committee  
1112 "I" Street, Suite 300  
Sacramento, California 95814

**Important Balloting and Election Dates** – The balloting and election dates are as follows:

- **August 8, 2023:** Deadline for members to return the signed Official Election Ballot.
- **August 9-11, 2023:** Ballots are opened and counted.
- **August 10-11, 2023:** Election results are announced, and candidates notified.
- **November 1-2, 2023:** Newly elected Directors are invited to attend SDRMA board meeting (Sacramento).
- **January 2024:** Newly elected Directors are seated, and Board officer elections are held.

If you have any questions or would like to request a printed copy of the election documents, please contact SDRMA's Management Analyst Candice Richardson at [crichardson@sdrma.org](mailto:crichardson@sdrma.org) or 800-537-7790.

Sincerely,  
Special District Risk Management Authority

A handwritten signature in blue ink that reads "Candice Richardson".

Candice Richardson  
Management Analyst



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

## 2023 BOARD OF DIRECTORS ELECTION

### OFFICIAL ELECTION BALLOT ATTACHED

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This is an official election packet that contains items that require ACTION by your Agency's governing body for the selection of up to three (3) candidates to the SDRMA Board of Directors.

#### ELECTION PACKET ENCLOSURES

- Election Ballot Instructions
- Official Election Ballot (Action Required)
- Candidate's Statements of Qualifications (4)



## SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for three (3) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was mailed to the membership in January 2023.

On May 11, 2023, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2022-06 Establishing Guidelines for Director Elections. The Election Committee confirmed that (4) candidates met the qualification requirements, and those names are included on the Official Election Ballot.

The Official Election Ballot along with a Statement of Qualifications as submitted by each candidate is posted to the SDRMA MemberPlus portal along with these instructions. Election instructions are as follows:

1. The Official Election Ballot must be used to ensure the integrity of the balloting process.
2. Print a copy of this ballot, then select up to three (3) candidates. Your agency's governing body must approve the Official Election Ballot at a public meeting. **Ballots containing more than four (4) candidate selections will be considered invalid and not counted.**
3. The signed Official Election Ballot **MUST** be sealed and received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Tuesday, August 8, 2023 to the address below. Faxes or electronic transmissions are NOT acceptable.  
Special District Risk Management Authority  
Election Committee  
1112 "I" Street, Suite 300  
Sacramento, California 95814
4. The four-year terms for newly elected Directors will begin on January 1, 2024, and terminate on December 31, 2027.
5. Important balloting and election dates are:
  - **August 8, 2023: Deadline for members to return the signed Official Election Ballot.**
  - **August 9-11, 2023:** Ballots are opened and counted.
  - **August 10-11, 2023:** Election results are announced, and candidates notified.
  - **November 1-2, 2023:** Newly elected Directors are invited to attend SDRMA board meeting (Sacramento).
  - **January 2024:** Newly elected Directors are seated, and Board officer elections are held.

Please do not hesitate to contact SDRMA's Management Analyst Candice Richardson at [crichardson@sdrma.org](mailto:crichardson@sdrma.org) or 800-537-7790 if you have any questions regarding the election and balloting process.

**OFFICIAL 2023 ELECTION BALLOT**  
**SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY**  
**BOARD OF DIRECTORS**

**VOTE FOR ONLY THREE (3) CANDIDATES**

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery at SDRMA on or before 4:30 p.m., Tuesday August 8, 2023. Faxes or electronic transmissions are NOT acceptable.

- ROBERT SWAN** (INCUMBENT)  
Director, Groveland Community Services District
  
- ACQUANETTA WARREN**  
Vice Chair, Local Agency Formation Commission for San Bernardino County
  
- JESSE CLAYPOOL** (INCUMBENT)  
Board Chair, Honey Lake Valley Resource Conservation District
  
- SANDY SEIFERT-RAFFELSON** (INCUMBENT)  
General Manager, Herlong Public Utility District

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2023 by the:

\_\_\_\_\_

**at a public meeting** by the following votes:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_

\_\_\_\_\_



**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates  
– no attachments will be accepted. No statements are endorsed by SDRMA.**

Candidate\* Bob Swan  
District/Agency Groveland Community Services District (GCSD)  
Work Address P.O. Box 350, Groveland CA 95321  
Work Phone (209) 962-7131 Cell Phone (408) 398-4731

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

I have been a member of the SDRMA Board for two terms. I would like to be elected to a third term because:

1. As a board member of Groveland CSD, I am very aware of the great value that smaller districts get from their membership in SDRMA, and I'd like to continue to support the Authority's great member services.
2. While the organization continues to operate well, thanks to its experienced and motivated staff, we are once again going through a period of management change. I believe that Board continuity is particularly important at such a time.
3. The California re-insurance market continues to be challenging. I believe that my eight years of board experience will be helpful as we negotiate the potentially tricky economic future.
4. Personally, I feel that we have a very well-functioning and collegial Board, and I find it both challenging and enjoyable to be part of it.

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

1. SDRMA Board: Member since 2016, presently Vice President. I am our representative on the CSDA Legislative Committee (and a member in my own right), and on the Alliance Executive Council.
2. Groveland CSD Board: Member since appointment in June 2013. I was Board President 2014-2018.
3. Member of Board of Southside Community Connections, which is a 501(c)(3) nonprofit in Groveland that provides transportation, educational, social and recreational services to seniors and differently-abled folks in the Groveland area. I was on this Board from 2018 through 2022, mostly as Treasurer.
4. Board Member (Treasurer) of Pine Cone Performers, a local community choral and acting group, since 2010.

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)**

Background: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry as engineer, engineering manager, business unit director.

Skills, etc.: Very familiar with financial reports and cost accounting. Working knowledge of computer and communications technology. In my work life, I managed geographically distributed organizations with up to 150 technical personnel and up to \$120 million in annual sales. I'm pretty good at helping groups work together to achieve consensus (or, failing that, acceptable compromise).

In recent years, most of my volunteer work has been in driving folks (who can't drive themselves) to medical appointments, shopping, and the like. This is one of the services of Southside Community Connections.

I'm also a pretty decent choral singer, but that's not relevant to this application.

**What is your overall vision for SDRMA? (Response Required)**

Our vision statement is "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". To achieve this vision, I believe we must focus on:

(1) maintaining long-term financial stability, by ensuring that there is a fair allocation of cost versus risk across the membership, continuously evaluating the appropriate level of risk retention, and using creative ideas like our "captive" reinsurance agency to enhance our cash position.

(2) continue to expand our risk management training and assistance services. We have made significant improvements in this area by bring it internal to the Authority.

(3) continue to emphasize services to our core membership: small to mid-sized districts with limited options for insurance.

(4) ensure that SDRMA remains a desirable workplace, and maintain our highly-qualified and responsive staff.

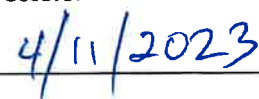
Above all, remember that this is an insurance pool, owned by its member agencies, and maintain an overarching focus on member service and support. Make certain that we will be here for our members.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date





**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted**. No statements are endorsed by SDRMA.

Candidate\* ACQUANETTA WARREN  
District/Agency Local Agency Formation Commission (LAFCO) for San Bernardino County  
Work Address 1170 W. Third Street, Unit 150, San Bernardino, CA 92415-0490  
Work Phone (909)388-0480 Home Phone

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

As a City Mayor I have been fortunate to serve on regional boards that include special district representation: San Bernardino Countywide Oversight Board and Southern California Water Coalition's Board of Trustees. I realize that special districts, especially the smaller districts, are not included in the conversation for a variety of matters. Currently, I serve on San Bernardino LAFCO and the California Association of LAFCOs, which do have robust special district representation. I believe that my skills, experience, and understanding can contribute to SDRMA. Specifically, I want to contribute by developing programs that would help member agencies maximize their protection and minimize their risks.

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

I currently serve as mayor for the City of Fontana. This is my fourth term, and my focus has been bolstering economic development, creating educational opportunities, improving public safety, and advocating for a healthier community. As mayor, I have been fortunate to serve on:

- San Bernardino LAFCO since 2014, serving currently as Vice Chair of the Commission. I am also a Board Member of the statewide organization of LAFCOs, CALAFCO, serving as Treasurer
- San Bernardino County Transportation Authority: Board of Directors, General Policy Committee, and Transit Committee
- San Bernardino County Racial Equity Committee for the San Bernardino Council of Governments
- San Bernardino Countywide Oversight Board

In addition, I am the current Chair for the Southern California Water Coalition's Board of Trustees as well as Co-Chair of its Task Force for Water Equity, Access, and Affordability.

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?  
(Response Required)**


Aside from being Mayor for the City of Fontana, I am currently the District Director for the Second Supervisorial District for San Bernardino County and I coordinate district services and communications with constituents, I oversee community outreach efforts, as well as supervise district staff.

In addition to local-level involvement, I have served on the State Park Commission and as a trustee of the United States Conference of Mayors, an official non-partisan organization of cities in the United States with populations of 30,000 or more. I have also served in community organizations such as Water/Recycled Water Projects and Development Processing for New Communities, Casa Colina Rehabilitation Hospital Board of Directors, and the Upland YMCA Board of Directors.

**What is your overall vision for SDRMA? (Response Required)**

My vision for SDRMA is to ensure that it continues to be the best risk management agency, who will continue to listen and communicate with its member agencies. I would strive to make sure SDRMA continues to provide excellent service, provide educational and training programs that are beneficial to its member agencies, and offer more resources that add value to its members. Lastly, I want to make sure SDRMA operates in the highest ethical manner with complete transparency.

**I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.**

Candidate Signature  Date 4/25/2023

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates  
- no attachments will be accepted. No statements are endorsed by SDRMA.**

Candidate\* Jesse D. Claypool  
District/Agency Honey Lake Valley Resource Conservation District  
Work Address USDA Service Center 170 Russell Avenue, Suite C, Susanville, CA 96130  
Work Phone 530-257-7271 Cell Phone 530-310-0232

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

My interest for being on the SDRMA Board of Directors is because I believe it is imperative for there to be a knowledgeable and experienced voice on the Board with the perspective of the small to mid-size special district. In addition, I am eager to continue working with SDRMA staff and fellow Board members, providing relevant and affordable solutions, available to all special districts.

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**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

The vast amount of understanding and experience that I've gained as a current member of the SDRMA Board of Directors will undoubtedly aide as I continually strive to be an increasingly effective member of the SDRMA Board of Directors going forward.

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In addition to being a current SDRMA Board member, I am currently Chairman of the Board for the Honey Lake Valley Resource Conversation District and a board member of a Regional Water Managment Group. Previously I have served on the following, Lassen County's Civil Grand Jury, two terms, CSDA Professional Development committee, two terms, Janesville Union School District trustee, Technical Advisory Committee for the prevention of violence against schools K-12, two terms, and CSDA Member Services committee, two terms.

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**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)**

I have attended various board member trainings and completed leadership and governance classes, including the following; CSDA's Extraordinary Leadership Training and CSDA's Special District Leadership Academy. I have received CSDA's Recognition in Special District Governance certificate and successfully completed Executive Education in Public Policy at University of Southern California, Sol Price School of Public Policy.

**What is your overall vision for SDRMA? (Response Required)**

My continued vision for SDRMA is to be effective within the communities they serve. With focused attention to affordable solutions, administered by a team of highly dedicated professional staff, SDRMA will continue to be an industry leader providing affordable solutions to its members.

**I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.**

Candidate Signature  Date 4/20/2023



**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – **no attachments will be accepted.** No statements are endorsed by SDRMA.

Candidate\* Sandy Seifert-Raffelson  
District/Agency Herlong Public Utility District  
Work Address P O Box 115, Herlong CA 96113  
Work Phone (530)827-3150 Cell Phone (530)310-4320

\*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

**Why do you want to serve on the SDRMA Board of Directors? (Response Required)**

I am a current Board member of SDRMA and feel that I have added my financial and general manager background to make a better-informed decision for SDRMA members. As a Board member, I continue to improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 35 plus years' experience in accounting and special districts.

I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limited revenue and staff. My experience in small districts give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise within.

I feel I am an asset to this Board, and would love a chance to stay on 4 more years!

**What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)**

While serving on the SDRMA Board, I have been privilege to be Secretary of the Board, Vice-President and currently President. I have served on CSDA's Audit and Financial committee's for several year. I have served on the SDLF Board and current President; Northeastern Rual Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 18 years; and UC Davis Equine Board. In the past 30 years, I have learn that there is no "I" in Board and it can be very rewarding to part of a team that makes a difference for others.

As part of my many duties working for Herlong PUD, I worked to form the District and was directly involved with LAFCo Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first policies for HPUD. I have administered the financial portion of 2 large capital improvement projects with USDA as well as worked on the first ever successful water utility privatization project with the US Army and department of Defense. I am currently in the middle of a 14 million infrastructure project with SRF monies. I am also the primary administrator of two federal contract for utility services.

**Special District Risk Management Authority  
Board of Directors  
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)**

I have my Bachelor's Degree in Business with a minor in Sociology. I have audit small districts and worked for a small district for almost 18 years. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

With HPUD and with SDRMA both boards and employees have worked hard to receive their District of Distinction and their District of Transparency.

I feel I am a good leader with people skills that can accomplish what is necessary to keep a District or JPA moving forward.


**What is your overall vision for SDRMA? (Response Required)**

SDRMA Staff and Board work together to bring Special Districts affordable insurance for the pool they serve. By

listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would continue advocating for these continued efforts and rewarding continue education for all Districts and employees.

I see SDRMA pool continuing for centuries and serving those needs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature  Date 4/17/2023

RECEIVED MAY 10 2023

**FIONA MA, CPA**

TREASURER

STATE OF CALIFORNIA

May 5, 2023

Mi-Wuk Sugar Pine Fire Protection District  
Attention: Executive Director  
PO Box 530  
Mi Wuk Village, CA 95346-0530

Dear Executive Director,

The State of California recently launched the California Kids Investment and Development Savings Program (CalKIDS) to help as many California children prepare financially for a postsecondary education. CalKIDS provides all newborns up to \$100, and eligible low-income public school students enrolled in first through 12<sup>th</sup> grade up to \$1,500, to start saving for college and career training. Families are encouraged to build on this investment by opening and contributing to their own account with ScholarShare 529, California's official 529 college savings plan.

To access their CalKIDS account, eligible newborns and low-income students or their parents will need to register at [www.calkids.org](http://www.calkids.org), which requires key information, including the child's Local Registration Number (LRN) or Statewide Student Identifier (SSID) or a unique code included in a notification letter that the family has received or will be receiving soon. When ready, CalKIDS funds can be used for expenses such as tuition, fees, books, supplies, and certain room and board costs.

This statewide initiative is administered by the ScholarShare Investment Board, an agency of the State of California, and managed out of the State Treasurer's Office. ScholarShare 529 and CalKIDS can make college or career training a reality for millions of children and families throughout our state.

Studies have shown that children with \$500 or less saved for college are three times more likely to enroll in college and four times more likely to graduate, than children with no savings at all. CalKIDS builds upon this research by providing families a starting point for growing assets and working to make higher education attainable.

**To ensure all eligible families are aware of this important program, we seek your help in sharing this valuable information with families in your region or district.**

If you are interested in informing families about CalKIDS, we welcome support in any or all of the following ways:

- Hosting an informational webinar

- Sharing information through your digital communications, such as e-newsletters, website, and social media
- Distributing program flyers throughout your region or district

To help facilitate the dissemination of Program information, we have made available a comprehensive online toolkit which contains various materials, in English and Spanish, for use. The toolkit can be accessed on the Partners tab at [CalKIDS.org](http://CalKIDS.org). If you have additional questions or would like further details, contact CalKIDS staff directly at [CalKIDSAdmin@calkids.org](mailto:CalKIDSAdmin@calkids.org) or (916) 651-6380.

Thank you for your assistance in ensuring that all eligible families know about this exciting new program.

In Peace and Friendship,

A handwritten signature in black ink, consisting of a stylized, cursive letter 'Y' or 'J' with a horizontal stroke extending to the right.





RECEIVED MAY 10 2023

**FIONA MA, CPA**  
TREASURER  
STATE OF CALIFORNIA

May 5, 2023

Mi-Wuk Sugar Pine Fire Protection District  
Attention: Director of Human Resources  
PO Box 530  
Mi Wuk Village, CA 95346-0530

Dear Director:

As the Chair of the ScholarShare Investment Board, which oversees *ScholarShare 529*, our state-sponsored college savings plan, I write to respectfully request your assistance in raising awareness about the importance of saving for higher education and about the significant role that a 529 college savings plan can play in that process at your workplace.

Many California parents are looking to their employers for help with their college savings needs, according to ScholarShare 529 research. A recent ScholarShare Marketplace Study of more than 1,000 California parents planning to save to help their children afford college revealed that 72 percent of respondents would feel more confident choosing a 529 plan if it were available through work, while 79 percent said a workplace college savings program shows their employer cares about its employees.

ScholarShare 529 provides families with a valuable tool that offers a diverse set of low-cost investment options, tax-deferred growth, and withdrawals free from state and federal taxes when used for qualified higher education expenses, such as tuition and fees, books, certain room and board costs, computer equipment, and other required supplies. Further, ScholarShare 529 funds are flexible and can be used at a wide variety of educational institutions, which include technical schools, community colleges, four-year public and private universities, graduate programs, and some institutions abroad.

As an employer, you can play an important role in helping your employees maximize their hard-earned savings and give them much-needed peace of mind. Here are two easy ways that, together, we can help them:

- First, make sure your organization is enrolled in the ScholarShare 529 *Workplace Savings Program*. It's a free and easy way for your employees to save for college through a simple payroll direct deposit process, while gaining access to many useful college savings tools and educational resources. It requires no reporting, no cost and no contracts for you to manage. More than 1,000 employers already participate, including numerous state, county, city, school district, and special district agencies. You can learn more about our *Workplace Savings Program* at an upcoming webinar. Visit [ScholarShare529.com/employer](https://www.scholarshare529.com/employer) to register.

- Second, help your employees take advantage of ScholarShare 529's upcoming special match promotion. To celebrate *National 529 College Savings Day* on May 29, 2023, ScholarShare 529 will offer up to a \$100 contribution for families who open and contribute to a new account between May 22 and May 31, 2023. You can easily share information about this promotion with your employees using our online marketing toolkit available at **ScholarShare529.com/529Offer**. The toolkit includes helpful materials, such as flyers, brochures, sample articles for e-newsletters, and sample social media posts. In addition, employees can visit [www.ScholarShare529.com/529Offer](http://www.ScholarShare529.com/529Offer) to learn more about the promotion and to register for an online webinar.

By becoming a *Workplace Savings Program* partner or helping us disseminate information about our upcoming 529 Day promotion, you will undoubtedly be helping your employees better prepare for the expenses that come with pursuing a higher education and reduce the amount of money their loved ones borrow while achieving their academic goals.

For more information, contact our ScholarShare 529 staff at **[scholarshare@treasurer.ca.gov](mailto:scholarshare@treasurer.ca.gov)** or **(916) 651-6380**. We look forward to the opportunity to partner with you on this important matter.

In Peace and Friendship,

A handwritten signature in black ink, consisting of a stylized, cursive 'S' followed by a horizontal line that extends to the right and then curves back up to meet the top of the 'S'.

**Landlord:**

~~MI WUK SUGAR PINE FIRE PROTECTION DISTRICT~~  
~~ATTN: Mi-Wuk Sugar Pine Fire Protection District~~  
~~Attn: James Klyn~~  
~~PO BOX -530~~  
~~MI WUK VILLAGE~~ Mi Wuk Village, CA 95346-0530

**Tenant:**

VB BTS II, LLC  
750 Park of Commerce Drive, Suite 200  
Boca Raton, Florida 33487  
Site #: US-CA-5423  
Site Name: Mi-Wuk Village

**OPTION AND LEASE AGREEMENT**

**THIS OPTION AND LEASE AGREEMENT** (this “**Agreement**”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”), by and between ~~MI WUK SUGAR PINE FIRE PROTECTION DISTRICT~~, a California corporation Mi-Wuk Sugar Pine Fire Protection District (“**Landlord**”), whose address is PO ~~BOX~~ 530 ~~MI WUK VILLAGE~~, Mi Wuk Village, CA 95346-0530, and **VB BTS II, LLC**, a Delaware limited liability company (“**Tenant**”), whose address is 750 Park of Commerce Drive, Suite 200, Boca Raton, Florida 33487.

**WHEREAS**, Landlord owns certain real property located in the County of Tuolumne, in the state or commonwealth of California, that is more particularly described and/or depicted in **Exhibit 1** attached hereto (the “**Property**”); and,

**WHEREAS**, Tenant desires to lease from Landlord a certain portion of the Property measuring approximately 40' x 40' (approximately 1,600 square feet) and to obtain easements for guy wires, guy anchors, utilities and access, as applicable (the “**Premises**”), which Premises is more particularly described and/or depicted in **Exhibit 2** attached hereto, for the placement of Tenant’s Communications Facilities (defined below).

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree:

**1. OPTION TO LEASE.**

(a) As of the Effective Date, Landlord grants to Tenant the exclusive option to lease the Premises (the “**Option**”) during the Option Period (defined below). At any time during the Option Period and Term (defined below), Tenant and its agents, engineers, surveyors and other representatives will have the right to enter upon the Property to inspect, examine, conduct soil borings, drainage testing, material sampling, and other geological or engineering tests or studies of the Property (collectively, the “**Tests**”), to apply for and obtain licenses, permits, approvals, or other relief required of or deemed necessary or appropriate at Tenant’s sole discretion for its use of the Premises including, without limitation, applications for zoning variances, zoning ordinances, amendments, special use permits, and construction permits (collectively, the “**Government Approvals**”), initiate the ordering and/or scheduling of necessary utilities, obtain a title report with respect to the Property, and otherwise to do those things on or off the Property that, in the opinion of Tenant, are necessary in Tenant’s sole discretion to determine the physical condition of the Property, the environmental history of the Property, and the feasibility or suitability of the Property for Tenant’s permitted use under this Agreement, all at Tenant’s expense. Tenant shall be authorized to apply for Government Approvals on behalf of Landlord and Landlord agrees to reasonably cooperate with such applications. Tenant will not be liable to Landlord or any third party on account of any pre-existing defect or condition on or with respect to the Property, whether or not such defect or condition is disclosed by Tenant’s inspection. Tenant will restore the Property to its condition as it existed at the commencement of the Option Period, reasonable wear and tear and casualty not caused by Tenant excepted. In addition,

1.14.2021

Tenant shall indemnify, defend and hold Landlord harmless from and against any and all injury, loss, damage or claims arising directly out of Tenant's Tests.

(b) In consideration of Landlord granting Tenant the Option, Tenant agrees to pay Landlord the sum of Eight Thousand Dollars (\$8,000.00) after the full execution of this Agreement ~~and no later than after thirty (30) days of Building Permit Approval~~. The Option Period will be for an initial term of twenty-four (24) months from the Effective Date (the "**Initial Option Period**") and may be renewed by Tenant for twelve (12) additional months (the "**Renewal Option**") upon written notification to Landlord and the payment of an additional Four Thousand Dollars (\$4,000.00) prior to the expiration date of the Initial Option Period. Unless utilized independently, the Initial Option Period and any Renewal Option Period shall be referred to collectively as the "**Option Period**."

(c) Tenant may exercise the Option at any time during the Option Period by delivery of written notice to Landlord (the "**Notice of Exercise of Option**"). The Notice of Exercise of Option shall set forth the commencement date (the "**Commencement Date**") of the Initial Term (defined below). If Tenant does not provide a Notice of Exercise of Option during the Option Period, this Agreement will terminate and the parties will have no further liability to each other.

(d) During the Option Period or the Term, Landlord shall not take any action to change the zoning status or land use of the Property which would diminish, impair, or adversely affect the use of the Premises by Tenant for its permitted uses hereunder.

## 2. TERM.

(a) Effective as of the Commencement Date, Landlord leases the Premises to Tenant subject to the terms and conditions of this Agreement for an initial term of five (5) years (the "**Initial Term**").

(b) Tenant shall have the option to extend the Initial Term for nine (9) successive terms of five (5) years each (each a "**Renewal Term**"). Each Renewal Term shall commence automatically, unless Tenant delivers notice to Landlord, not less than thirty (30) days prior to the end of the then-current Term, of Tenant's intent not to renew. For purposes of this Agreement, "**Term**" shall mean the Initial Term and any applicable Renewal Term(s).

## 3. RENT.

(a) Beginning on the first (1<sup>st</sup>) day of the third (3<sup>rd</sup>) month after the Commencement Date ("**Rent Commencement Date**"), Tenant shall pay to Landlord a monthly rent payment of Two Thousand Dollars (\$2,000.00) ("**Rent**") at the address set forth above on or before the fifth (5th) day of each calendar month in advance. The initial payment of Rent will be forwarded by Tenant to Landlord within thirty (30) days after the Rent Commencement Date.

(b) Rent to increase Two percent (2%) annually on the anniversary of the rent commencement date.

(c) ~~Tenant may sublease or license any portion of the Premises to a Beginning with the second (2<sup>nd</sup>) broadband carrier other than T-Mobile (hereinafter, a "Broadband Carrier") upon fifteen (15) days' advance written notice to, Tenant agrees to pay Landlord. For each such Broadband Carrier, Tenant's monthly Rent due hereunder shall increase by twenty-five percent (25%) of the second (2<sup>nd</sup>) and each subsequent additional broadband carrier's monthly rent or license fee payable by the Broadband Carrier to Tenant under each such sublease or license agreement (each fee ("**Sublease Fee**")) as additional Rent (individually, or together if applicable, a "**Revenue Share Fee**");~~ subject to the following terms and



conditions. -The applicable Revenue Share Fee shall commence on the first day of the month following the date that ~~the new Broadband Carrier (and each such additional Broadband Carrier thereafter~~broadband carrier(s) commences rental payments to Tenant of such carrier's Sublease Fee under its respective sublease ~~or license.~~(s). The Revenue Share Fee shall only be due and payable in the event there are two (2) or more broadband carriers. If at any time subsequent to the addition of a second (2<sup>nd</sup>) broadband carrier the number of broadband carriers is reduced to one (1) broadband carrier, then no Revenue Share Fee shall be due and payable. Notwithstanding anything to the contrary contained herein, the Revenue Share Fee shall only be due and payable by Tenant to Landlord hereunder during the term of such ~~Broadband Carrier's~~broadband carriers' sublease ~~or license agreement and~~agreements for so long as such ~~Broadband Carrier is~~broadband carriers are actually paying to Tenant the requisite ~~rental~~Sublease Fee set forth therein. - For purposes herein, the term "Broadband Carrier" shall mean Verizon, Comcast, AT&T, Dish, and ~~of this Agreement,~~ Sublease Fee shall be all rent actually collected from any sublease that Tenant enters into with any subtenant or licensee including amendments and renewals thereof but excluding: (i) any reimbursements or pass-throughs from such ~~similar national broadband carriers~~subleases or licenses to Tenant for charges including but not limited to utility charges, taxes, or other pass-through expenses or (ii) any fees from subleasees or licenses to Tenant for services performed on behalf of such subleasees or licensees including but not limited to site acquisition, due diligence, design and engineering work, construction, site inspections, radio frequency monitoring and testing, repairs, and zoning and permitting.

**(d) Reservation of Space on Tower for Landlord - Additional consideration.**

(i) At no rent due from Landlord to Tenant nor any reduction in the Rent, Landlord shall be allowed, at Landlord's sole expense, to attach its communication antennas to Tenant's telecommunications tower provided Landlord first obtains Tenant's written consent, with such consent not to be unreasonably withheld. Pursuant to the foregoing, Tenant hereby agrees to reserve on behalf of Landlord a ten foot (10') vertical envelope at a height of ninety feet (75') to one hundred feet (85') with a centerline of ninety-five feet (80') on Tenant's tower at the Premises in the event Tenant builds a tower on the Premises ("Landlord's Tower Space"). Any equipment installed on Landlord's Tower Space shall not exceed seven thousand and five hundred (7,500) square inches of wind loading capacity. Tenant's approval for said attachments shall be contingent upon determining whether Tenant's tower is properly engineered to accommodate Landlord's antenna system and such transmission shall not result in any impairment or diminution in the quality of Tenant's service. Further, said approval shall be given only after Tenant has reviewed and approved Landlord's engineering plans for said antenna attachments. Approval shall not be unreasonably withheld. Upon written approval by Tenant, said attachments shall be installed, at Landlord sole expense, by qualified licensed contractors and in accordance with Tenant's directives for the method of installment. In addition to Landlord being responsible for its own installation, Landlord shall also be responsible for its own utilities and operations and agrees that any ground space required for Landlord's Tower Space shall be outside the Premises. Landlord acknowledges and agrees that Tenant reserves the right to relocate Landlord's antennas at any time(s) to accommodate modifications required for Tenant's future system requirements, provided such relocation shall provide equivalent quality of service after such relocation.

(ii) Any reservation of right granted to Landlord pursuant to this Section is solely limited to Landlord's use only of the ten foot (10') vertical envelope described above and Landlord acknowledges and agrees that Landlord does not have the right to lease, license, sublease, sublicense, etc. such space on the tower on the Premises to any other party including, without limitation, any wireless communication entity.

**4. TAXES.** Tenant shall pay any personal property taxes assessed on, or any portion of such taxes attributable to, the Communications Facilities located on the Premises. Landlord shall pay when due all

real property taxes and all other fees and assessments attributable to the Property and the Premises. Tenant shall pay as additional rent any increase in real property taxes levied against the Premises, which are directly attributable to Tenant's use of the Premises (but not, however, taxes attributable to periods prior to the Commencement Date such as roll-back or greenbelt assessments) if Landlord furnishes proof of such increase to Tenant (such increase, the "**Landlord Tax Reimbursement**"). In the event that Landlord fails to pay when due any taxes affecting the Premises or any easement relating to the Premises, Tenant shall have the right, but not the obligation, to pay such taxes and any applicable interest, penalties or similar charges, and deduct the full amount of the taxes and such charges paid by Tenant on Landlord's behalf from future installments of Rent. Notwithstanding the foregoing, Tenant shall not have the obligation to pay any tax, assessment, or charge that Tenant is disputing in good faith in appropriate proceedings prior to a final determination that such tax is properly assessed, provided that no lien attaches to the Property. In addition, Tenant shall not have the obligation to pay or reimburse Landlord for the Landlord Tax Reimbursement if Landlord has not provided proof of such amount and demand therefor within one (1) year of the date such amount is due and payable by Landlord.

**5. USE.**

~~(a)~~

(a) The Premises are being leased for the purpose of erecting, installing, operating and maintaining, repairing and replacing radio or communications towers, transmitting and receiving equipment, antennas, dishes, mounting structures, equipment shelters and other supporting structures, and related equipment, and to alter, supplement and/or modify same (collectively, the "**Communications Facilities**"). Tenant may, subject to the foregoing, make any improvement, alteration or modification to the Premises as are deemed appropriate by Tenant for the permitted use herein. Tenant shall have the right to clear the Premises of any trees, vegetation, or undergrowth which interferes with Tenant's use of the Premises for the intended purposes. Tenant shall have the exclusive right to install and operate upon the Premises communications towers, buildings, equipment, antennas, dishes, fencing, and other accessories related thereto, and to alter, supplement, and/or modify same as may be necessary.

(b) Landlord at no cost may install tower mounted equipment on a location of the tower that will not interfere with tenant or subtenants' operations with tenant's prior written approval, such approval shall not be unreasonably withheld; all Landlord equipment that is to be ground mounted shall be located outside of tenant's premises. Should future relocation of Landlord tower mounted equipment be required tenant shall notify Landlord in writing sixty (60) days prior at which time Landlord shall choose and communicate in writing the new tower location subject to tenant approval, such approval shall not be unreasonably withheld. Additionally, Landlord's tower mounted equipment is subject to tenant approval.

**6. ACCESS AND UTILITIES.** During the Term, Tenant, and its guests, agents, customers, lessees, sublessees and assigns shall have the unrestricted, exclusive right to use, and shall have free and unfettered access to, the Premises seven (7) days a week, twenty-four (24) hours a day. Landlord for itself, its successors and assigns, hereby grants and conveys unto Tenant, its customers, employees, agents, invitees, sublessees, licensees, successors and assigns a nonexclusive easement throughout the Term to a public right of way (a) for ingress and egress, and (b) for the construction, installation, operation, maintenance, repair and replacement of overhead and underground electric and other utility facilities (including fiber, backhaul, wires, poles, guys, cables, conduits and appurtenant equipment), with the right to reconstruct, improve, add to, enlarge, change and remove such facilities, over, across and through any easement for the benefit of and access to the Premises, subject to the terms and conditions herein set forth. Landlord agrees to obtain the required access and utility easements to the Premises from a public right of way up to and including negotiating and obtaining such access and utility rights from any applicable neighbor parcel and/or coordinating with Tenant's efforts to obtain same. If there are utilities already existing on the Premises

which serve the Premises, Tenant may utilize such utilities and services. The rights granted to Tenant herein shall also include the right to partially assign its rights hereunder to any public or private utility company or authority to facilitate the uses contemplated herein, and all other rights and privileges reasonably necessary for Tenant's safe and efficient use and enjoyment of the easements for the purposes described above. Upon Tenant's request, Landlord shall execute and deliver to Tenant requisite recordable documents evidencing the easements contemplated hereunder within fifteen (15) days of Tenant's request, and Landlord shall obtain the consent and joinder of Landlord's mortgagee to any such grant, if applicable.

**7. EQUIPMENT, FIXTURES AND REMOVAL.** The Communications Facilities shall at all times be the personal property of Tenant and/or its subtenants and licensees, as applicable. Tenant or its customers shall have the right to erect, install, maintain, repair, replace and operate on the Premises such equipment, structures, fixtures, signs, and personal property as Tenant may deem necessary or appropriate, and such property, including the equipment, structures, fixtures, signs, and personal property currently on the Premises, shall not be deemed to be part of the Premises, but shall remain the property of Tenant or its customers. Within ninety (90) days after the expiration or earlier termination of this Agreement (the "**Removal Period**"), Tenant shall remove its improvements and personal property and restore the Premises to grade and perform all obligations under this Agreement during the Removal Period, including without limitation, the payment of Rent at the rate in effect upon the expiration or termination of this Agreement.

**8. ASSIGNMENT AND SUBLEASE.** Tenant may assign this Agreement to any person or entity, including Lender (defined below), at any time without the prior written consent of Landlord. Upon such assignment, Tenant will be relieved and released of all obligations and liabilities hereunder. Tenant shall have the exclusive right to sublease or grant licenses without Landlord's consent to use all or part of the Premises and/or the Communications Facilities, but no such sublease or license shall relieve or release Tenant from its obligations under this Agreement. Landlord may assign this Agreement only in its entirety and only to any person or entity who or which acquires fee title to the Property, subject to Section 15. Landlord may not subdivide the Property without Tenant's prior written consent.

**9. COVENANTS, WARRANTIES AND REPRESENTATIONS.**

(a) Landlord warrants and represents that it is the owner in fee simple of the Property, free and clear of all liens and encumbrances except as to those which may have been disclosed to Tenant in writing prior to the execution hereof, and that it alone has full right to lease the Premises for the Term.

(b) Landlord shall pay promptly, when due, any other amounts or sums due and owing with respect to its ownership and operation of the Property, including, without limitation, judgments, taxes, liens, mortgage payments and other similar encumbrances. If Landlord fails to make any payments required under this Agreement, or breaches any other obligation or covenant under this Agreement, Tenant may (without obligation), after providing ten (10) days written notice to Landlord, make such payment or perform such obligation on behalf of Landlord and offset such payment (including any reasonable attorneys' fees incurred in connection with Tenant performing such obligation) against payments of Rent.

(c) Landlord shall not do or knowingly permit anything that will interfere with or negate any special use permit or approval pertaining to the Premises or cause Tenant's use of the Premises to be in nonconformance with applicable local, state, or federal laws. Landlord shall cooperate with Tenant in any effort by Tenant to obtain certificates, permits, licenses and other approvals that may be required by any governmental authorities. Landlord agrees to execute any necessary applications, consents or other documents as may be reasonably necessary for Tenant to apply for and obtain the proper zoning approvals required to use and maintain the Premises and the Communications Facilities.

(d) To the best of Landlord's knowledge, Landlord has complied and shall comply with all laws with respect to the Property. No asbestos-containing thermal insulation or products containing PCB, formaldehyde, chlordane, or heptachlor or other hazardous materials have been placed on or in the Property by Landlord or, to the knowledge of Landlord, by any prior owner or user of the Property. To the knowledge of Landlord, there has been no release of or contamination by hazardous materials on the Property.

(e) Tenant shall have access to all utilities required for the operation of Tenant's improvements on the Premises that are existing on the Property.

(f) Landlord warrants and represents that there currently exist no licenses, sublicenses, or other agreements, written or oral, granting to any party or parties the right of use or occupancy of any portion of the Property; there are no outstanding options or rights of first refusal to purchase the Property or any portion thereof or interest therein, or any equity or interest in Landlord if Landlord is an entity; and there are no parties (other than Landlord) in possession of the Property except as to those that may have been disclosed to Tenant in writing prior to the execution hereof.

**10. HOLD OVER TENANCY.** Should Tenant or any assignee, sublessee or licensee of Tenant hold over the Premises or any part thereof after the expiration of this Agreement, such holdover shall constitute and be construed as a tenancy from month-to-month only, but otherwise upon the same terms and conditions.

**11. INDEMNITIES.** Each party agrees to indemnify, defend and hold harmless the other party, its parent company or other affiliates, successors, assigns, officers, directors, shareholders, managers, members, agents and employees (collectively, "**Indemnified Persons**") from and against all claims, actions, judgments, damages, liabilities, losses, expenses and costs (including without limitation reasonable attorneys' fees and court costs) (collectively, "**Losses**") caused by or arising out of (a) such party's breach of any of its obligations, covenants, representations or warranties contained herein, or (b) such party's acts or omissions with regard to this Agreement; provided, however, in no event shall a party indemnify the other party for any such Losses to the extent arising from the gross negligence or willful misconduct of the party seeking indemnification. However, in the event of an Indemnified Person's contributory negligence or other fault, the Indemnified Person shall not be indemnified hereunder to the extent that the Indemnified Person's negligence or other fault caused such Losses. Tenant will indemnify Landlord from and against any mechanic's liens or liens of contractors and sub-contractors engaged by or through Tenant.

**12. WAIVERS.**

(a) Landlord hereby waives any and all lien rights it may have, statutory or otherwise, in and to the Communications Facilities or any portion thereof, regardless of whether or not such is deemed real or personal property under applicable laws. Landlord will not assert any claim whatsoever against Tenant for loss of anticipatory profits or any other indirect, special, incidental or consequential damages incurred by Landlord as a result of the construction, maintenance, operation or use of the Premises by Tenant.

(b) EACH PARTY HERETO WAIVES ANY AND ALL CLAIMS AGAINST THE OTHER FOR ANY LOSS, COST, DAMAGE, EXPENSE, INJURY OR OTHER LIABILITY WHICH IS IN THE NATURE OF INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES WHICH ARE SUFFERED OR INCURRED AS THE RESULT OF, ARISE OUT OF, OR ARE IN ANY WAY CONNECTED TO THE PERFORMANCE OF THE OBLIGATIONS UNDER THIS AGREEMENT.

**13. INSURANCE.** Tenant shall insure against property damage and bodily injury arising by reason of occurrences on or about the Premises in the amount of not less than \$1,000,000-, which insurance shall name Landlord as additional insured. The insurance coverage provided for herein may be maintained



pursuant to master policies of insurance covering other communication facilities of Tenant and its corporate affiliates. ~~— All insurance policies required to be maintained under this Section shall name the Landlord, its officers, agents, and employees as additional insureds.~~ All insurance policies required to be maintained by Tenant hereunder shall be with responsible insurance companies, authorized to do business in the State or Commonwealth where the Premises are located if required by law, and shall provide for cancellation only upon ten (10) days' prior written notice to Landlord. Tenant shall evidence such insurance coverage by delivering to Landlord, if requested, a copy of a certificate of insurance of such policies issued by the insurance companies underwriting such risks

**14. INTERFERENCE.** During the Option Period and the Term, Landlord, its successors and assigns, will not grant any ground lease, license, or easement with respect to the Property (outside of the Premises) and any property adjacent or contiguous to the Property that is fee owned by Landlord: (a) for any of the uses contemplated in Section 5 herein; or (b) if such lease, license, or easement would detrimentally impact the Communications Facilities or Tenant's economic opportunities at the Premises, or the use thereof. Landlord shall not cause or permit the construction of radio or communications towers on the Property or on any other property of Landlord adjacent or contiguous to or in the immediate vicinity of the Property, except for towers constructed by Tenant. Landlord and Tenant intend by this Agreement for Tenant (and persons deriving rights by, through, or under Tenant) to be the sole parties to market, use, or sublease any portion of the Property for communications or broadcast facilities during the Option Period and the Term. Landlord agrees that this restriction on the use of the Property is commercially reasonable, not an undue burden on Landlord, not injurious to the public interest, and shall be specifically enforceable by Tenant (and persons deriving rights by, through or under Tenant) in a court of competent jurisdiction. The foregoing restriction shall run with the land and be binding on the successors and assigns of Landlord.

**15. RIGHT OF FIRST REFUSAL.** In the event Landlord determines to sell, transfer, license or otherwise convey any interest, whether fee simple interest, easement interest, leasehold, or otherwise, and whether direct or indirect by way of transfer of ownership interests in Landlord if Landlord is an entity, which interest underlies or affects any or all of the Premises (the "**ROFR Property**") to any third party that is a Third Party Competitor (as defined below), Landlord shall offer Tenant a right of first refusal to purchase the Premises (or such larger portion of the Property that encompasses the Premises, if applicable). For purposes herein, a "**Third Party Competitor**" is any person or entity directly or indirectly engaged in the business of owning, acquiring, operating, managing, investing in or leasing communications infrastructure or any person or entity directly or indirectly engaged in the business of owning, acquiring, or investing in real property leases or easements underlying communications infrastructure. In such event, Landlord shall send a written notice to Tenant in accordance with Section 29 below that shall contain an offer to Tenant of a right of first refusal to purchase the ROFR Property, together with a copy of any offer to purchase, or any executed purchase agreement or letter of intent (each, an "**Offer**"), which copy shall include, at a minimum, the purchase price or acquisition price, proposed closing date, and financing terms (collectively, the "**Minimum Terms**"). Within thirty (30) days of receipt of such Offer, Tenant shall provide written notice to Landlord of Tenant's election to purchase the ROFR Property on the same Minimum Terms; provided: (a) the closing date shall be no sooner than sixty (60) days after Tenant's purchase election notice; (b) given Landlord's direct relationship and access to Tenant, Tenant shall not be responsible for payment of any broker fees associated with an exercise of Tenant's rights to acquire the ROFR Property; and, (c) Tenant shall not be required to match any components of the purchase price which are speculative or incalculable at the time of the Offer. In such event, Landlord agrees to sell the ROFR Property to Tenant subject to Tenant's payment of the purchase price and compliance with a purchase and sale agreement to be negotiated in good faith between Landlord and Tenant. If Tenant provides written notice that it does not elect to exercise its ~~rights~~right of first refusal to purchase the ROFR Property, or if Tenant does not provide notice of its election within the thirty (30) day period, Tenant shall be deemed to have waived such right of first refusal only with respect to the specific Offer presented (and any subsequent

Offers shall again be subject to Tenant's continuing right of first refusal hereunder), and, ~~notwithstanding anything to the contrary contained in the third to last sentence of Section 8.~~ Landlord shall be permitted to consummate the sale of the ROFR Property in accordance with the strict terms of the Offer ("Permitted Sale"). If Landlord does not consummate the Permitted Sale within ninety (90) days of the date of Tenant's waiver of its ~~rights~~right of first refusal, ~~such Offer including if the Minimum Terms are modified between Landlord and the Third Party Competitor.~~ Landlord shall be ~~deemed required~~ to ~~have lapsed~~reissue a New Offer to Tenant.

**16. SECURITY.** The parties recognize and agree that Tenant shall have the right to safeguard and protect its improvements located upon or within the Premises. Consequently, Tenant may elect, at its expense, to construct such enclosures and/or fences as Tenant reasonably determines to be necessary to secure the Communications Facilities (including, without limitation, if applicable guy anchors). Tenant may also undertake any other appropriate means to restrict access to the Communications Facilities including without limitation, if applicable, guy anchors, installing security systems, locks and posting signs for security purposes and as may otherwise be required by law.

**17. FORCE MAJEURE.** The time for performance by Landlord or Tenant of any term, provision, or covenant of this Agreement shall be deemed extended by time lost due to delays resulting from acts of God, strikes, civil riots, floods, pandemics, material or labor restrictions by governmental authority, government shutdowns, quarantines, and/or other disease control measures and any other cause not within the control of Landlord or Tenant, as the case may be.

**18. CONDEMNATION.** Notwithstanding any provision of this Agreement to the contrary, in the event of condemnation of all or any part of the Premises, Landlord and Tenant shall be entitled to separate awards with respect to the Premises, in the amount determined by the court conducting such condemnation proceedings based upon Landlord's and Tenant's respective interests in the Premises. If a separate condemnation award is not determined by such court, Landlord shall permit Tenant to participate in the allocation and distribution of the award. In no event shall the condemnation award to Landlord exceed the unimproved value of the Premises, without taking into account the improvements located thereon, and in no event shall this Agreement be terminated or modified (other than an abatement of rent) due to a casualty or condemnation without the prior written consent of Lender.

**19. DEFAULT.** The failure of Tenant or Landlord to perform any of the covenants of this Agreement shall constitute a default. The non-defaulting party shall give the other written notice of such default, and the defaulting party shall cure such default within thirty (30) days after receipt of such notice. In the event any such default cannot reasonably be cured within such thirty (30) day period, if the defaulting party shall proceed promptly after the receipt of such notice to cure such default, and shall pursue curing such default with due diligence, the time for curing shall be extended for such period of time as may be necessary to complete such curing, however, in no event shall this extension of time be in excess of sixty (60) days, unless agreed upon by the non-defaulting party.

**20. REMEDIES.** Should the defaulting party fail to cure a default under this Agreement, the other party shall have all remedies available either at law or in equity, and the right to terminate this Agreement. In the event Landlord elects to terminate this Agreement due to a default by Tenant, Landlord shall continue to honor all sublease and license commitments made by Tenant through the expiration of the term of any such commitment, it being intended hereby that each such commitment shall survive the early termination of this Agreement.

**21. ATTORNEYS' FEES.** If there is any legal proceeding between Landlord and Tenant arising from or based on this Agreement, the unsuccessful party to such action or proceeding shall pay to the prevailing party all costs and expenses, including reasonable attorneys' fees and disbursements, incurred by such prevailing party in such action or proceeding and in any appeal in connection therewith. If such prevailing party recovers a judgment in any such action, proceeding or appeal, such costs, expenses and attorneys' fees and disbursements shall be included in and as a part of such judgment.

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**22. ADDITIONAL TERMINATION RIGHT.** If at any time during the Term, Tenant determines, in Tenant's sole and absolute discretion, with or without cause, that the Premises is no longer suitable or desirable for Tenant's intended use and/or purposes, Tenant shall have the right to terminate this Agreement upon sixty (60) days prior written notice to Landlord.

**23. PRIOR AGREEMENTS.** The parties hereby covenant, recognize and agree that the terms and provisions of this Agreement shall constitute the sole embodiment of the arrangement between the parties with regard to the Premises, and that all other written or unwritten agreements, contracts, or leases by and between the parties with regard to the Premises are hereby terminated, superseded and replaced by the terms hereof.

**24. SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT.** In the event the Property is encumbered by a mortgage or deed of trust or other security instrument of any kind (a "**Landlord Mortgage**"), Landlord, within fifteen (15) days following Tenant's request or immediately prior to the creation of any encumbrance created after the date this Agreement is fully executed, will obtain from the holder of each such Landlord Mortgage a fully-executed subordination, non-disturbance and attornment agreement (an "**SNDA**") in recordable form, which shall be prepared or approved by Tenant. The holder of every such Landlord Mortgage shall, in the SNDA, agree that in the event of a foreclosure, or conveyance in lieu of foreclosure of Landlord's interest in the Premises, such Landlord Mortgage holder shall recognize and confirm the validity and existence of this Agreement, not disturb the tenancy of Tenant and Tenant shall have the right to continue its use and occupancy of the Premises in accordance with the provisions of this Agreement, provided Tenant is not in default of this Agreement beyond applicable notice and cure periods.

**25. LENDER'S RIGHTS.**

(a) Landlord agrees to recognize the leases/licenses of all subtenants and licensees and will permit each of them to remain in occupancy of its premises notwithstanding any default hereunder by Tenant so long as each such respective subtenant or licensee is not in default under the lease/license covering its premises. Landlord agrees to execute such documents as any such subtenant and/or licensee might reasonably require, including customary subordination, non-disturbance and attornment agreements and/or Landlord recognition agreements, to further memorialize the foregoing, and further agrees to use Landlord's best efforts to also cause its lenders to similarly acknowledge, in writing, subtenant/licensee's right to continue to occupy its premises as provided above.

(b) Landlord consents to the granting by Tenant of a lien and security interest in Tenant's interest in this Agreement and/or leasehold estate of the Premises and all of Tenant's personal property and fixtures attached to the real property described herein, and furthermore consents to the exercise by Lender of its rights of foreclosure with respect to its lien and security interest. Landlord agrees to recognize Lender as Tenant hereunder upon any such exercise by Lender of its rights of foreclosure.

(c) Landlord hereby agrees to give Lender written notice of any breach or default of Tenant of the terms of this Agreement within fifteen (15) days after the occurrence thereof at the address set forth in Section 29. Landlord further agrees that no default under this Agreement by Tenant shall be deemed to have occurred unless such notice to Lender is also given and that, in the event of any such breach or default under the terms of this Agreement, Lender shall have the right, to the same extent, for the same period and with the same effect, as Tenant, plus an additional ninety (90) days after any applicable grace period to cure or correct any such default.

(d) Landlord acknowledges that nothing contained herein shall be deemed or construed to obligate Lender to take any action hereunder, or to perform or discharge any obligation, duty or liability of Tenant under this Agreement. Lender shall not become liable under the provisions of this Agreement, or

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any lease executed pursuant to Section 26 hereof unless and until such time as it becomes, and then only for as long as it remains, the owner of the leasehold estate created hereby or thereby.

(e) Tenant shall have the right from time to time to mortgage or otherwise encumber Tenant's interest in this Agreement and/or leasehold estate in the Premises; provided, however, in no event shall there be more than one such mortgage or encumbrance outstanding at any one time. If Tenant shall so mortgage (each a "**Tenant Mortgage**") Tenant's interest in this Agreement and/or leasehold interest in the Premises to Lender, Tenant or Lender shall give Landlord prompt notice of such Tenant Mortgage and furnish Landlord with a complete and correct copy of such Tenant Mortgage, certified as such by Tenant or Lender, together with the name and address of Lender if it is different from the information set forth in Section 29 hereof. The term "**Lender**" as used in this Agreement shall mean the lender identified in Section 29 hereof and its successors, assigns, designees or nominees.

(f) This Agreement shall not be amended or modified without the consent of Lender. In the event that Lender shall become the owner of such leasehold estate, Lender shall not be bound by any modification or amendment of this Agreement made subsequent to the date of a Tenant Mortgage unless Lender shall have consented to such modification or amendment at the time it was made.

## **26. RIGHT TO NEW LEASE.**

(a) In the case of termination of this Agreement for any reason, or in the event this Agreement is rejected or disaffirmed pursuant to any bankruptcy, insolvency or other law affecting creditor's rights, Landlord shall give prompt notice thereof to Lender at the address set forth in Section 29 or as may be provided to Landlord by Tenant following the Commencement Date. Thereafter, Landlord, upon written request of Lender, and within thirty (30) days after the receipt of such request, shall promptly execute and deliver a new lease of the Premises and assignment of all subleases and licenses to Lender or its designee or nominee, for the remainder of the Term upon all the covenants, conditions, limitations and agreements contained herein (including, without limitation, options to extend the Term) except for such provisions which must be modified to reflect such termination, rejection or disaffirmance and the passage of time, provided that Lender (i) shall pay to Landlord, simultaneously with the delivery of such new lease, all unpaid rent due under this Agreement up to and including the date of the commencement of the term of such new lease and all reasonable expenses, including, without limitation, reasonable attorneys' fees and disbursements and court costs, incurred by Landlord in connection with the default by Tenant, the termination of this Agreement and the preparation of the new lease, and (ii) shall cure all defaults existing under this Agreement which are susceptible to being cured by Lender promptly and with due diligence after the delivery of such new lease. Notwithstanding anything to the contrary contained herein, provided Lender shall have otherwise complied with the provisions of this Section, Lender shall have no obligation to cure any defaults which are not susceptible to being cured by Lender (for example, the bankruptcy of Tenant).

(b) For so long as Lender shall have the right to enter into a new lease with Landlord pursuant to this Section, Landlord shall not enter into a new lease of the Premises with any person or entity other than Lender, without the prior written consent of Lender.

## **27. ADDITIONAL PROVISIONS.**

(a) The parties hereto agree that (i) Tenant is in possession of the Premises notwithstanding the fact that Tenant has subleased, or may in the future sublease, certain of the improvements thereon to third parties and (ii) the requirements of Section 365(h) of Title II of the United States Code (the Bankruptcy Code) with respect to Tenant's possession of the leasehold under this Agreement are satisfied. Accordingly, the right of Tenant to remain in possession of the leasehold under this Agreement shall continue notwithstanding any rejection of this Agreement in any bankruptcy proceeding involving Landlord, or any

other actions by any party in such a proceeding. This provision, while included in this Agreement, has been separately negotiated and shall constitute a separate contract between the parties as well as a part of this Agreement. The provisions of this Section are for the benefit of Tenant and its assigns, including, without limitation, Lender. The parties hereto also agree that Lender is a party in interest and shall have the right to appear as a party in any proceeding brought under any bankruptcy law or under any other law which may affect this Agreement.

(b) The provisions of Sections 25 and 26 hereof shall survive the termination, rejection or disaffirmance of this Agreement and shall continue in full force and effect thereafter to the same extent as if such Sections were a separate and independent contract made by Landlord, Tenant and Lender and, from the effective date of such termination, rejection or disaffirmance of this Agreement to the date of execution and delivery of such new lease, Lender may use and enjoy the leasehold estate created by this Agreement without hindrance by Landlord. The aforesaid agreement of Landlord to enter into a new lease with Lender shall be deemed a separate agreement between Landlord and Lender, separate and apart from this Agreement as well as a part of this Agreement and shall be unaffected by the rejection of this Agreement in any bankruptcy proceeding by any party.

(c) Landlord shall have no right, and expressly waives any right arising under applicable law, in and to the rentals or other fees payable to Tenant, if any, under any sublease or license of the Premises by Tenant, which rentals or fees may be assigned by Tenant to Lender.

(d) If a Tenant Mortgage is in effect, this Agreement shall not be modified or amended by the parties hereto, or terminated or surrendered by Tenant, nor shall Landlord accept any such termination or surrender of this Agreement by Tenant, without the prior written consent of Lender.

(e) The provisions of Sections 25 and 26 hereof are for the benefit of Lender and may be relied upon and shall be enforceable by Lender as if Lender were a party to this Agreement.

(f) Landlord shall, within ten (10) days of the request of Tenant or any Lender or prospective Lender, provide an estoppel certificate as to any matters reasonably requested by Tenant or Lender.

(g) The right to extend or renew this Agreement and any right of first refusal to purchase the Premises may be exercisable by the holder of a Tenant Mortgage and, before the expiration of any periods to exercise such a right, Landlord must provide to Lender at least thirty (30) days prior written notice before the expiration of the right to so extend or renew in order to extinguish Lender's right to so extend, renew or purchase.

(h) Under no circumstances shall the fee estate of Landlord and the leasehold estate created hereby merge, even though owned by the same party, without the written consent of the holder of a Tenant Mortgage.

**28. QUIET ENJOYMENT.** So long as Tenant is not in default under this Agreement beyond the applicable notice and cure period, Landlord covenants and agrees that Tenant shall peaceably and quietly hold and enjoy the Premises throughout the Term, without any hindrance, molestation or ejection by Landlord, its successors or assigns or by those claiming by, through or under them.

**29. NOTICES.** All notices, requests, claims, demands, and other communications hereunder shall be in writing and may be hand delivered (provided the deliverer provides proof of delivery) or sent by nationally established overnight courier that provides proof of delivery, or certified or registered mail (postage prepaid, return receipt requested). Notice shall be deemed received on the date of delivery as



demonstrated by the receipt of delivery. Notices shall be delivered to a party at the party's respective address below, or to such other address that a party below may provide from time to time:

**If to Landlord:**

~~MI WUK SUGAR PINE FIRE  
PROTECTION DISTRICT  
ATTN: Mi Wuk Sugar Pine Fire  
Protection District  
Attn: James Klyn  
PO BOX 530  
MI WUK VILLAGE  
Village, CA 95346- 0530~~

**If to Tenant:**

VB BTS II, LLC  
750 Park of Commerce Drive,  
Suite 200  
Boca Raton, Florida 33487  
Ref: US-CA-5423  
Attn: Sr.-VP Asset Management

**If to Lender:**

Barclays Bank PLC,  
as Administrative Agent  
745 Seventh Avenue, 5th Floor  
New York, NY 10019  
Attn: Karen Ngai

With a copy to: General Counsel

**30. MISCELLANEOUS.**

(a) Each party hereto warrants and represents that it has the necessary power and authority to enter into and perform its respective obligations under this Agreement.

(b) If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.

(c) All attached exhibits are hereby incorporated by this reference as if fully set forth herein.

(d) Failure of party to insist on strict performance of any of the conditions or provisions of this Agreement, or failure to exercise any of a party's rights hereunder, shall not waive such rights.

(e) This Agreement shall be governed by and construed in accordance with the laws of the State or Commonwealth in which the Premises are located.

(f) This Agreement constitutes the entire agreement and understanding of the parties and supersedes all offers, negotiations, other leases and/or agreements with regard to the Premises. There are no representations or understandings of any kind not set forth herein. Any amendment to this Agreement must be in writing and executed by both parties.

(g) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

(h) A short-form Memorandum of Option to Lease (and a short-form Memorandum of Lease in the event Tenant exercises its option to lease the Premises) may be recorded at Landlord or Tenant's option in the form as depicted in **Exhibit 3** and **Exhibit 4**, respectively, attached hereto.

(i) Landlord shall keep the terms of this Agreement confidential and shall not disclose any terms contained within this Agreement to any third party other than such terms as are set forth in the Memorandum of Option and Lease or Memorandum of Lease.

**SIGNATURES BEGIN ON NEXT PAGE**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date (date last signed by a party hereto).

**WITNESSES:**

**LANDLORD:**

\_\_\_\_\_  
Name: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CALIFORNIA ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_\_ before me, \_\_\_\_\_  
\_\_\_\_\_ (insert name and title of the officer) personally appeared \_\_\_\_\_  
\_\_\_\_\_ (name of signatory), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

(Tenant signature page to Option and Lease Agreement)

WITNESSES:

TENANT:

**VB BTS II, LLC**

a Delaware limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, by \_\_\_\_\_ (name of signatory), \_\_\_\_\_  
(title of signatory) of VB BTS II, LLC, a Delaware limited liability company, on behalf of the company.  
He/she is personally known to me.

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



## EXHIBIT 1

Legal Description of the Property (Parent Parcel)  
(may be updated by Tenant upon receipt of final legal description from title)

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 3, AS SHOWN AND DESIGNATED ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF TUOLUMNE COUNTY, CALIFORNIA, ON JANUARY 21, 1983 IN VOLUME 19 OF PARCEL MAPS AT PAGE 13, TUOLUMNE COUNTY RECORDS.

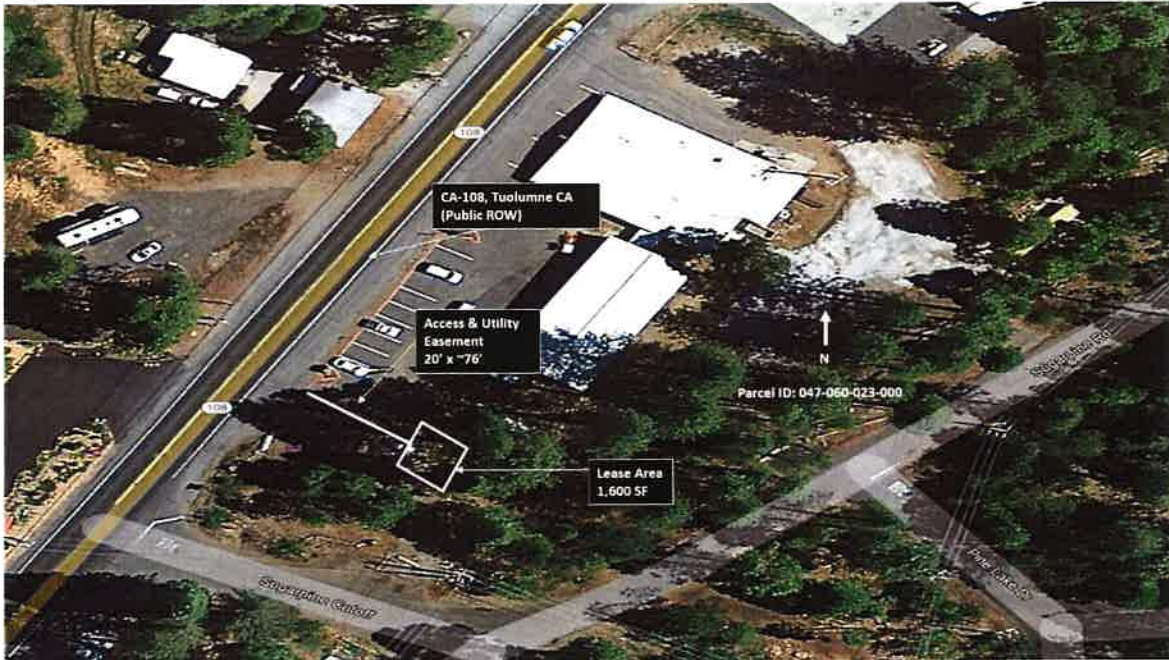
PARCEL ID: 047-060-23

THIS BEING THE SAME PROPERTY CONVEYED TO MI WUK SUGAR PINE FIRE PROTECTION DISTRICT, A CALIFORNIA SPECIAL DISTRICT BY A DEED FROM WESTAMERICA BANK DATED APRIL 12, 2000 AND RECORDED APRIL 20, 2000 IN BOOK 1666 PAGE 0145 AND INSTRUMENT 005495 IN THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA.

## EXHIBIT 2

### Premises

(below may be replaced with a final survey and legal description of the Premises)



**EXHIBIT 3**

Memorandum of Option to Lease

(Attached)

(Above 3" Space for Recorder's Use Only)

**Upon Recording Return to:**

VB BTS II, LLC  
750 Park of Commerce Drive, Suite 200  
Boca Raton, Florida 33487  
Attn: Daniel Marinberg

**Site Name: Mi-Wuk Village**  
**Site Number: US-CA-5423**

**Commitment #:** VTB-150713-C

**MEMORANDUM OF OPTION TO LEASE**

This Memorandum of Option to Lease ("**Memorandum**") evidences an Option and Lease Agreement (the "**Lease**") between ~~MI WUK SUGAR PINE FIRE PROTECTION DISTRICT, a California corporation ("Landlord")~~; ~~Mi-Wuk Sugar Pine Fire Protection District~~, whose address is PO ~~BOX~~Box 530 ~~MI WUK VILLAGE, Mi Wuk Village, CA 95346--0530 ("Landlord")~~, and **VB BTS II, LLC**, a Delaware limited liability company, whose mailing address is 750 Park of Commerce Drive, Suite 200, Boca Raton, Florida 33487 ("**Tenant**"), dated \_\_\_\_\_, 20\_\_\_\_ (the "**Effective Date**"), for a portion (the "**Premises**") of the real property (the "**Property**") described in Exhibit A attached hereto.

Pursuant to the Lease, Landlord has granted Tenant an exclusive option to lease the Premises (the "**Option**"). The Option commenced as of the Effective Date and shall continue in effect for a period of twenty-four (24) months from the Effective Date and may be renewed by Tenant for an additional twenty-four (24) month period.

Landlord ratifies, restates and confirms the Lease and, upon exercise of the Option, shall lease to Tenant the Premises, subject to the terms and conditions of the Lease. The Lease provides for the lease by Landlord to Tenant of the Premises for an initial term of five (5) years with nine (9) renewal option(s) of an additional five (5) years each, and further provides:

1. Landlord may assign the Lease only in its entirety and only to a purchaser of the fee interest of the Property;
2. Under certain circumstances, Tenant has a right of first refusal to acquire the Premises or the Property from Landlord;

3. Landlord may not subdivide the Property without Tenant's prior written consent; and

4. The Lease restricts Landlord's ability to utilize or allow the utilization of the Property or real property owned by Landlord which is adjacent or contiguous to the Property for the construction, operation and/or maintenance of communications towers and related facilities.

This Memorandum is not intended to amend or modify, and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Lease. In the event of a conflict between the provisions of this Memorandum and the provisions of the Lease, the provisions of the Lease shall control. The Lease shall be binding upon and inure to the benefit of Landlord and Tenant and shall inure to the benefit of their respective heirs, successors, and assigns, subject to the provisions of the Lease.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK, SIGNATURES  
BEGIN ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this MEMORANDUM OF OPTION TO LEASE effective as of the date last signed by a party hereto.

**WITNESSES:**

**LANDLORD:**

\_\_\_\_\_  
Name: \_\_\_\_\_  
\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CALIFORNIA ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California  
County of \_\_\_\_\_)

On \_\_\_\_\_, 20\_\_\_\_\_ before me, \_\_\_\_\_  
\_\_\_\_\_ (insert name and title of the officer) personally appeared \_\_\_\_\_  
\_\_\_\_\_ (name of signatory), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

(Tenant's Signature Page to Memorandum of Option to Lease)

**WITNESSES:**

**TENANT:**

**VB BTS II, LLC**

a Delaware limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, by \_\_\_\_\_ (name of signatory), \_\_\_\_\_  
(title of signatory) of VB BTS II, LLC, a Delaware limited liability company, on behalf of the company.  
He/she is personally known to me.

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
(TO MEMORANDUM OF OPTION TO LEASE)

The Property

(may be updated by Tenant upon receipt of final legal description from title)

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 3, AS SHOWN AND DESIGNATED ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF TUOLUMNE COUNTY, CALIFORNIA, ON JANUARY 21, 1983 IN VOLUME 19 OF PARCEL MAPS AT PAGE 13, TUOLUMNE COUNTY RECORDS.

PARCEL ID: 047-060-23

THIS BEING THE SAME PROPERTY CONVEYED TO MI WUK SUGAR PINE FIRE PROTECTION DISTRICT, A CALIFORNIA SPECIAL DISTRICT BY A DEED FROM WESTAMERICA BANK DATED APRIL 12, 2000 AND RECORDED APRIL 20, 2000 IN BOOK 1666 PAGE 0145 AND INSTRUMENT 005495 IN THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA.

Access and utilities serving the Premises (as defined in the Lease) includes all easements of record as well as that portion of the Property designated by Landlord and Tenant for Tenant (and Tenant's guests, agents, customers, lessees, sublessees and assigns) ingress, egress, and utility purposes to and from a public right-of-way.



**EXHIBIT 4**

Memorandum of Lease

(Attached)

(Above 3" Space for Recorder's Use Only)

**Upon Recording Return to:**

VB BTS II, LLC  
750 Park of Commerce Drive, Suite 200  
Boca Raton, Florida 33487  
Attn: Daniel Marinberg

**Site Name: Mi-Wuk Village**

**Site Number: US-CA-5423**

**Commitment #:** VTB-150713-C

**MEMORANDUM OF LEASE**

This Memorandum of Lease ("Memorandum") evidences a Lease Agreement (the "Lease") between ~~MI WUK SUGAR PINE FIRE PROTECTION DISTRICT, a California corporation~~ ("Landlord"), Mi-Wuk Sugar Pine Fire Protection District, whose address is PO ~~BOX~~Box 530 ~~MI WUK VILLAGE, Mi Wuk Village, CA 95346-0530,~~ ("Landlord"), and **VB BTS II, LLC**, a Delaware limited liability company, whose mailing address is 750 Park of Commerce Drive, Suite 200, Boca Raton, Florida 33487 ("Tenant"), dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date"), for a portion (the "Premises") of the real property (the "Property") described in Exhibit A attached hereto.

Landlord hereby ratifies, restates and confirms the Lease and leases to Tenant the Premises, subject to the terms and conditions of the Lease. The Commencement Date of the Lease is \_\_\_\_\_. The Lease provides for the lease by Landlord to Tenant of the Premises for an initial term of five (5) years with nine (9) renewal option(s) of an additional five (5) years each, and further provides:

1. Landlord will attorn to any mortgagee of Tenant, subordinate any Landlord's lien to the Lease and to liens of Tenant's mortgagees, and not disturb the tenancy of Tenant;
2. The Lease restricts Landlord's ability to utilize, or allow the utilization of the Property or real property owned by Landlord which is adjacent or contiguous to the Property for the construction, operation and/or maintenance of communications towers and related facilities;
3. Tenant (and persons deriving rights by, through, or under Tenant) are the sole parties to market, use, or sublease any portion of the Property for communications or broadcast facilities during the

term of the Lease (such restriction shall run with the land and be binding on the successors and assigns of Landlord);

4. The Premises may be used exclusively by Tenant for all legal purposes, including without limitation, erecting, installing, operating and maintaining radio and communications towers, buildings, and equipment;

5. Tenant is entitled to sublease and/or license the Premises, including any communications tower located thereon;

6. Under certain circumstances, Tenant has a right of first refusal to acquire the Premises from Landlord;

7. Landlord may assign the Lease only in its entirety and only to a purchaser of the fee interest of the Property; and

8. Landlord may not subdivide the Property without Tenant's prior written consent.

This Memorandum is not intended to amend or modify, and shall not be deemed or construed as amending or modifying, any of the terms, conditions or provisions of the Lease. In the event of a conflict between the provisions of this Memorandum and the provisions of the Lease, the provisions of the Lease shall control. The Lease shall be binding upon and inure to the benefit of Landlord and Tenant and shall inure to the benefit of their respective heirs, successors, and assigns, subject to the provisions of the Lease.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK, SIGNATURES  
BEGIN ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this MEMORANDUM OF LEASE as of the date last signed by a party hereto.

**WITNESSES:**

**LANDLORD:**

\_\_\_\_\_  
Name: \_\_\_\_\_  
\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**CALIFORNIA ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of California  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_\_ before me, \_\_\_\_\_  
\_\_\_\_\_ (insert name and title of the officer) personally appeared \_\_\_\_\_  
\_\_\_\_\_ (name of signatory), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

(Tenant's Signature Page to Memorandum of Lease)

**WITNESSES:**

**TENANT:**

**VB BTS II, LLC**  
a Delaware limited liability company

\_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, by \_\_\_\_\_ (name of signatory), \_\_\_\_\_  
(title of signatory) of VB BTS II, LLC, a Delaware limited liability company, on behalf of the company.  
He/she is personally known to me.

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**EXHIBIT A**  
(TO MEMORANDUM OF LEASE)

The Property

(may be updated by Tenant upon receipt of final legal description from title)

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 3, AS SHOWN AND DESIGNATED ON THAT CERTAIN PARCEL MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF TUOLUMNE COUNTY, CALIFORNIA, ON JANUARY 21, 1983 IN VOLUME 19 OF PARCEL MAPS AT PAGE 13, TUOLUMNE COUNTY RECORDS.

PARCEL ID: 047-060-23

THIS BEING THE SAME PROPERTY CONVEYED TO MI WUK SUGAR PINE FIRE PROTECTION DISTRICT, A CALIFORNIA SPECIAL DISTRICT BY A DEED FROM WESTAMERICA BANK DATED APRIL 12, 2000 AND RECORDED APRIL 20, 2000 IN BOOK 1666 PAGE 0145 AND INSTRUMENT 005495 IN THE COUNTY OF TUOLUMNE, STATE OF CALIFORNIA.

Access and utilities serving the Premises (as defined in the Lease) includes all easements of record as well as that portion of the Property designated by Landlord and Tenant for Tenant (and Tenant's guests, agents, customers, lessees, sublessees and assigns) ingress, egress, and utility purposes to and from a public right-of-way.

Said interest being over land more particularly described by the following description:

Insert metes and bounds description of area