

**FIRST AMENDED AND RESTATED
AGREEMENT BETWEEN THE CITY OF SAUSALITO AND SOUTHERN MARIN FIRE
PROTECTION DISTRICT TO PROVIDE FIRE PROTECTION SERVICES**

This **FIRST AMENDED AND RESTATED AGREEMENT TO PROVIDE FIRE PROTECTION SERVICES** ("Agreement") is being entered into by and between the **CITY OF SAUSALITO** (the "City"), a municipal corporation and the **SOUTHERN MARIN FIRE PROTECTION DISTRICT** ("SMFPD"), a Fire Protection District, for fire protection services, dated as of January 1, 2008. The City and the SMFPD may be referred to herein collectively as the "Agencies" and individually as an "Agency".

RECITALS

The following Recitals are a substantive part of this Agreement:

WHEREAS, the City and SMFPD entered into that certain Limited Joint Powers Agreement between the City of Sausalito and the Southern Marin Fire Protection District Relating to Shared Personnel dated effective January 1, 2004 (the "Limited JPA"); and

WHEREAS, the City and SMFPD entered into that certain Agreement to Provide Fire Protection Services dated May 24, 2006 pursuant to which the SMFPD provides certain fire services in the City; and

WHEREAS, the City and SMFPD have determined that it would be to their mutual advantage, and in the best interest of their respective citizens to enter into an agreement for such fire protection services; and

WHEREAS, the City and SMFPD each have independent authority to provide public safety services within their jurisdictions; and

WHEREAS, pursuant to, without limitation, the Joint Powers Act, (Government Code Section 6500 *et seq.*), the City and SMFPD may contract for services with each other; and

WHEREAS, the City and SMFPD by and through the "Committee," formed pursuant to the Limited JPA, have met and conferred, and conducted duly noticed public meetings and/or hearings regarding this Agreement, on, without limitation, March 16, 2005, April 18, 2005, May 16, 2005, June 13, 2005, June 20, 2005, August 24, 2005, September 19, 2005, March 28, 2006 and April 24, 2006; and

WHEREAS the City and SMFPD desire to enter into this Agreement to clarify certain rights and responsibilities of the agencies particularly with respect to payroll responsibilities and overtime expenses.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the City and the SMFPD agree as follows:

1. Purpose of the Agreement and Parties

The City and SMFPD with the consent of their respective legislative bodies, hereby enter into this Agreement for SMFPD to provide fire protection and related services to the City under the terms and conditions described herein.

2. Term

A. Condition Precedent/Effective Date and Termination

This Agreement shall take effect upon the later to occur of (i) the number of employees in the City's fire department being reduced to fifteen (15); or (ii) July 1, 2006 (the "Effective Date").

This Agreement shall commence on the Effective Date and shall remain in effect until either Agency through formal action of its governing board determines in its sole and absolute discretion that it is necessary to withdraw from this Agreement for any reason (the "Term"). Prior to the Effective Date, either Agency may terminate this Agreement by providing the other Agency with thirty (30) days written notice of such termination. Following the Effective Date, the Agency making the determination to terminate this Agreement shall send written notice thereof (the "Termination Notice") to the other Agency. This Agreement shall terminate and be of no further force and effect one year from the date of the "non-terminating" Agency's receipt of the Termination Notice; or upon such other date as mutually agreed upon by the Agencies.

B. Effect of Termination

Immediately upon the receipt of the Termination Notice the Agencies shall cooperate and work diligently together to ensure the smooth transition of fire protection services back to the City. Upon termination all equipment and any and all other property owned by or acquired for the City by SMFPD (including without limitation the property identified on the "Inventory" as described in Section 4K hereof and as set forth in the attached Exhibit D) shall be returned to the City; provided, however, that the Agencies shall negotiate and agree upon an equitable system for the use of any equipment purchased for the benefit of both Agencies.

3. Governing Committee

A committee comprised of two elected officials from the City, two elected officials from SMFPD, the City Manager, the Fire Chief and a representative selected by the recognized bargaining group for each Agency (the "Committee") shall be maintained to review and evaluate, at least quarterly, all aspects of this Agreement including without limitation, the payments made to SMFPD hereunder, as more particularly described in paragraph 7 D., below. The Committee will report to the governing boards of each Agency as often as necessary but not less than quarterly. Meetings of said Committee shall occur pursuant to and in accordance with the

provisions of the Ralph M. Brown Act, California Government Code Section 54950, *et seq.* (the “Brown Act”). The only members of the Committee who shall be entitled to vote on matters under the jurisdiction of the Committee shall be Committee members elected to the City Council of the City and/or the Board of Directors of SMFPD, respectively, by the general public, or otherwise appointed to said council or board, according to law (the “Voting Members”). To the extent permissible under applicable law, including without limitation the Brown Act, the Voting Members only shall meet in closed session along with necessary staff members.

4. Obligations of SMFPD

In consideration of the obligations of the City set forth herein, including without limitation making the “Annual Payment” in accordance with Section 7 below; SMFPD shall provide the following services in and for the City:

A. All fire and emergency medical operations services in accordance with the Levels of Service, Standards and Minimum Staffing Levels set forth in Exhibit A which is attached hereto and incorporated herein by this reference. The station shall be staffed by employees of either Agency with at least the following rank: one (1) company officer (Lieutenant or higher ranking officer), one (1) Firefighter/Paramedic or Engineer/Paramedic; and at least three (3) Fire Fighters; notwithstanding the foregoing, in the event that the minimum staffing requirements set forth in the Memorandum of Understanding between the City and the recognized bargaining group (the “MOU”) are modified, the number of personnel required to be provided pursuant to this Section 4A will be automatically modified to reflect the change in minimum staffing; and

B. Operate and maintain one fire station in Sausalito at 333 Johnson Street; provided, however, that the Agencies agree that during the period of construction of a new facility at 333 Johnson Street the fire station shall be located at 300 Spencer Avenue and/or at such other location as agreed to by the City Council upon the recommendation of the Fire Chief and City Manager; and

C. All related administrative services, including without limitation, administration and management of the City’s employees in the fire department in accordance with the provisions of the then applicable MOU and all other applicable rules and regulations including, without limitation, the applicable Personnel Rules and the City of Sausalito Personnel Handbook. SMFPD agrees that it shall manage the personnel of both Agencies in such a way as to minimize overtime costs to the City to the extent possible and that it shall manage the City’s personnel in a manner consistent with the management of SMFPD personnel with respect to overtime; and

D. Make recommendations to City regarding: (i) negotiation of, (ii) modifications to, and (iii) administration of the MOU. The responsibilities of SMFPD hereunder shall include without limitation advising the City regarding measures and/or modifications being considered and/or implemented by SMFPD with respect to SMFPD’s memorandum of understanding with its recognized bargaining group and proposals to manage and reduce overtime costs; and

E. Provide for all equipment required for the provision of the services listed herein, including without limitation personal protection equipment, this shall include, without limitation the payment of the City's operational cost of the equipment provided pursuant to the Project Operating Agreement Relating to the Marin Emergency Radio Authority Public Safety and Emergency Radio System but it does not include the "City Equipment" to be provided by the City as set forth in Section 6B below; and

F. Maintain all equipment, including the "City Equipment" provided by the City in accordance with Section 6B below; and

G. Budget preparation and accounting. The City currently provides SMFPD with electronic access to the City's budget and related documents. Upon the Effective Date the City shall be provided with reciprocal electronic access to the SMFPD budget and related documents; and

H. Performance of City's obligations under the Southern Marin Emergency Medical-Paramedic System Revised Joint Powers Agreement to Establish, Operate and Maintain in Southern Marin County an Emergency Medical Care-Paramedic System ("SMEMPS") as such Agreement currently exists or may hereinafter be amended; and

I. Enter into and maintain an Agreement with the County of Marin on behalf of the City for the provision of dispatch and communication services through the Marin County Sheriff's Office Communications Division and pay for any and all costs of such Agreement on behalf of the City or otherwise provide for such services; and

J. The Fire Chief shall act as the City's Fire Chief who's duties shall include, without limitation: attendance at City Council, staff and/or community meetings on an as needed basis; staffing by the Fire Chief or another officer designated by the Fire Chief at the City's Emergency Operations Center on an as needed basis; and communication, coordination and cooperation with the City Manager and all City employees; including without limitation discussion with the City Manager prior to collective bargaining with the recognized employee bargaining group. In addition, the chief officer, on an as-needed basis, shall report to the City Manager and/or the City Council regarding operation of SMEMPS and the Chief shall represent the interests of the City in connection with any negotiations to modify or otherwise amend the SMEMPS agreement and shall report to the City Manager regarding such negotiations. The parties acknowledge and agree that in the event that the position of the Fire Chief becomes open the City shall be entitled to participate in the selection process for a new Chief. Such participation shall include, without limitation, representation on interview panels, if any, and the SMFPD Board of Directors shall consider any recommendation and/or requests made by the City in connection with the appointment of a new Chief. City acknowledges and agrees that the SMFPD Board shall make the final determination regarding the selection of the Chief.

K. Implement and maintain an inventory control system to identify and track all City owned property and all items acquired by or on behalf of the City during the term of this Agreement. Within sixty (60) days of the Effective Date, the Fire Chief shall submit an inventory of all such property to the City Manager and upon the agreement of the City Manager

the inventory shall be attached hereto as Exhibit D. Upon the completion of the construction of a new fire station at 333 Johnson Street the Fire Chief shall submit a revised inventory to the City Manager to reflect the property existing after such construction which inventory shall replace the previously approved inventory as an attachment to this Agreement upon the approval of the City Manager.

5. Maintenance and Capital Costs. As set forth in Section 4, it is SMFPD’s obligation to maintain the City owned fire station (and related property) and equipment. As set forth in Section 6 below, it is the City’s obligation to pay the capital costs related to the City owned fire station (and related property) and equipment. In order to determine if a particular item is a maintenance obligation of SMFPD or a capital cost of the City the following standard shall apply: an expenditure shall be identified as “capital” if the following criteria are met: (i) the asset is City owned; and (ii) the cost is greater than Five Thousand Dollars (\$5000.00) which amount shall be adjusted with the approval of the SMFPD Board and the City Council upon the recommendation of the Committee as necessary to reflect changes in the City’s Fixed Asset Capitalization Guideline Policy.

6. Obligations of City

In consideration of the services to be provided by SMFPD as set forth herein, the City shall:

A. Subject to the provisions of paragraph 4 B., above, provide and be responsible for all associated capital costs for one fully furnished fire station within the City at 333 Johnson Street (or 300 Spencer Avenue and/or such other location approved by the City Council during the construction of a new fire station at 333 Johnson Street), which will be staffed by SMFPD and City personnel; and

B. Provide the apparatus owned by the City as of the Effective Date (the “City Equipment”) which is set forth on the Equipment Schedule attached hereto as Exhibit B (the “Schedule”) and be primarily responsible for the funding of the replacement of the City Equipment. Each Agency shall retain responsibility for the replacement of respective apparatus provided by each party as of the Effective Date of this Agreement. As such apparatus require replacement, the Agencies will cooperate in seeking grant money, cost sharing between the Agencies and/or third parties, and/or other financing programs beneficial to the Agency whose apparatus is being replaced; however, ultimate responsibility for the cost of replacement of such apparatus shall remain with the Agency originally providing such apparatus. Notwithstanding the foregoing, the Agencies agree that either Agency may enter into an agreement(s) with other jurisdictions for the joint acquisition, utilization and cost sharing of any item of equipment listed above.

The Schedule identifies each piece of City Equipment along with the date placed in services, the original cost, the estimated replacement cost, the projected life expectancy and the actual age of the equipment. The Schedule will be reviewed by the Committee annually and the Committee will make recommendations to the City regarding revisions to the Schedule. The

Schedule will be updated to reflect the acquisition of new equipment and/or the removal or replacement of existing equipment. The Fire Chief and City Manager will make recommendations to the Committee regarding the actual replacement of the City Equipment and the Committee will in turn make recommendations to the City Council. The Agencies acknowledge and agree that the City Council has final authority over the decision to replace any item of City Equipment. The Agencies also acknowledge and agree that the City currently owns a Type 1 Engine which serves as a reserve engine, due to the fact that this engine benefits multiple agencies, the City shall only be responsible for the cost of replacement of 1/3 of such engine.

C. Maintain sole responsibility for the acquisition and funding of capital infrastructure and fixed assets.

D. Provide payroll and benefit administration (with cooperation from SMFPD) for the fire personnel employed by the City. Salaries and wages (including education incentive and FLSA overtime pay), holiday pay, overtime, deferred compensation, Medicare, retirement costs, uniform allowance, applicable payroll taxes shall be paid directly from City funds, and shall be managed by the City.

7. City Payments to SMFPD

A. Non-Payroll Operating Costs.

(i). On or before January 1, 2008 the City shall pay to SMFPD an amount equal to the remaining portion of the Non-Payroll Operating Costs set forth in the City's FY 2007-2008 Budget (Exhibit C) which shall be utilized by SMFPD to pay all remaining Non-Payroll Operating Costs of the City through June 30, 2008.

(ii) In January of each year during the Term of this Agreement, the Committee shall meet to review and negotiate the budget for the next fiscal year, and shall recommend adjustments to the annual budget and the payment to SMFPD for Operating Costs for the next fiscal year, based upon without limitation, results of collective bargaining for the next year, and such other increases or decreases as may affect the following fiscal year budget for fire protection services for the City. Following the Committee meeting and negotiation, the proposed next year's budget and Operating Costs Payment (as defined in subsection iii below) shall promptly be presented to the District's Board of Directors and the Sausalito City Council for approval, and, upon such approvals which shall occur (if at all) not later than the first regular meeting of each Agency in the month of May preceding adoption by parties of the next year's budget, the Operating Costs Payment for the next year shall commence, as set forth in paragraph 7B, below. In the event that the parties are unable to reach agreement establishing the Operating Costs Payment by June 1 of the applicable fiscal year for the following fiscal year, such Operating Costs Payment shall be deemed to increase 3% from the prior year, for a period not to exceed one year, pending agreement on the actual increased amount of the payment, or termination of the Agreement, as more specifically set forth in paragraph 2. Upon approval of the budget and the Operating Costs Payment for the following fiscal year the approved budget and Operating Costs Payment amount shall replace the budget set forth in Exhibit C.

(iii). Commencing July 15, 2008 and annually thereafter, the City shall deliver to the SMFPD an amount equal to 100% of the Non-Payroll/Operating Costs (the "Operating Costs Payment") for that fiscal year. The amounts deposited with SMFPD by City shall be deposited in an interest bearing account with interest accruing for the benefit of the City.

(iv) On or before September 15, 2007 and annually thereafter, SMFPD shall provide the City with an accrual based accounting, including all information reasonably requested by the City's Finance Director or her designee, evidencing all of the expenditures for the immediately preceding fiscal year (the "Annual Accounting"). SMFPD's chief officer will provide, not later than the 15th day of each month, the financial statements for the preceding month to the City Manager and City Finance Director. SMFPD's chief officer shall, in the monthly financial statements, or a separate document to be delivered contemporaneously with the monthly financial statements, include a report of overtime expenditures for the preceding month in the form attached hereto as Exhibit G (the "Overtime Report"). In preparing the monthly financial statements, at such time that the District's chief officer anticipates any substantial increase in a budget item, or other anticipated expense, the chief officer shall give prompt written notice in the financial statement, or otherwise, to the City Manager and Finance Director.

In the event there is any unexpended amount of the Operating Costs Payment remaining in the account referenced in paragraph 7, A, iii at the end of any fiscal year, said amount shall be carried forward as a credit for benefit of the City during the next budget year during the Term of this Agreement. When and if this Agreement is terminated, any such amount shall be refunded to the City.

(v) The Operating Cost Payment to be made by the City to SMFPD shall not exceed the approved amount as set forth in the annual budget approved by the City Council without the approval of the City Council. In the event of "unforeseen circumstances," as determined by the City Manager and Fire Chief including, but not limited to, occurrence of catastrophic event(s) which may affect the terms of this Agreement, the Committee shall meet and make recommendations to the City Council and SMFPD Board for adjustments to the budget and/or Operating Costs Payment as may be necessary to carry out the terms of this Agreement. Such adjustments shall only go into effect upon the approval of the SMFPD Board and the City Council.

B. Administrative Services Fee.

As consideration for SMFPD's management services as set forth herein, commencing July 15, 2008 and annually thereafter the City shall pay SMFPD an administrative services fee in an amount equal to one third of the total cost of the salaries and retirement benefits paid to the SMFPD Chief and Administrative Aide (the "Administrative Services Fee"). No benefits shall be included in the calculation of the Administrative Services Fee with the exception of retirement benefits. The Administrative Services Fee shall be adjusted annually on each July 15th to reflect the changes, if any, in the salary and/or retirement benefits paid to the SMFPD Fire Chief and Administrative Aide; provided, however, in no event shall the Administrative Services Fee be

increased by more than five percent (5%) over the amount paid the previous year. The Administrative Services Fee shall be paid by the City in four equal quarterly installments on each July 15th, October 15th, January 15th and April 15th during the Term.

C. Overtime Payment

Personnel for both Agencies may be called in on a rotating basis to work overtime. In order to provide an opportunity for all employees to work overtime shifts if they so desire while at the same time minimizing the impacts of such additional work; personnel of each Agency may cover an overtime need of the other Agency. The Agencies agree that they shall reimburse the other Agency for overtime costs incurred by such Agency to cover staffing needs of the other Agency. Such overtime costs will be set forth in the Overtime Report. To the extent applicable the monthly overtime costs of the Agencies will be offset and any amount due will be paid to the other Agency within thirty (30) days of the paying Agency's receipt of an invoice for such services.

D. If payments are not made within thirty (30) days of the date set forth in Section 7B above, interest will accrue at the Applicable Federal Rate.

E. The Committee shall meet on a quarterly basis for the purpose of, without limitation, review of the quarterly financial records of the City's fire department, for purposes of recommending adjusting, as may be necessary, the annual payment for the upcoming fiscal year to reflect actual cost.

8. Labor Negotiations. The Committee shall meet prior to and during collective bargaining negotiations for the specific purpose of coordinating the respective collective bargaining negotiations with the determination of the following year's annual payment. The Committee shall establish a schedule for such meetings in January of each year.

9. Audits

Periodic fiscal audits shall be conducted by the District and the City, as required by law.

Periodic internal operational and fiscal audits shall be conducted by SMFPD and provided to the City at least every 12 months, to include the following:

- a. Training conducted;
- b. Response times to all emergency medical and fire calls; and
- c. Total call volume, for the City by geographic location and type of call.

The City and the District shall have the right to inspect the books and records of one another during regular business hours, upon reasonable notice.

10. Insurance

The parties shall continue to provide insurance in the amounts required by law, and as more specifically set forth in Exhibit E.

11. Liability Insurance and Indemnification

A. The City shall maintain insurance for the station in the City and the City Equipment to be provided by City hereunder.

B. Each Agency shall request special endorsements to its liability insurance related to all the provisions of this Agreement to make additional insureds of the other to the extent of this Agreement.

C. To the fullest extent allowed by law, the Agencies shall indemnify and hold harmless one another, its officers, elected and appointed officials, employees, agents, volunteers, successor and assigns from any and all claims arising from or occurring as the result of the negligence, error, omission or other wrongful act(s) of the indemnifying party in the performance of its obligations under this Agreement. Said right of indemnity shall include, without limitation, the costs of legal defense with counsel reasonably acceptable to the respective Agency, including attorneys' fees, whether or not such act(s) result in litigation, arbitration, mediation, or other form of formal or informal dispute resolution.

The Agencies shall provide one another proof of insurance as set forth above said proof to reflect that the respective Agencies have been added as additional named insureds on one another's respective polic(ies).

12. Notice.

Whenever in this Agreement it is required or permitted that notice or demand be given or served by either party to this Agreement to or on the other, such notice or demand shall be in writing and shall be deemed duly served or given only if personally delivered or sent by United States mail, certified or registered, postage prepaid, to the address of the parties as specified below.

To City:

City of Sausalito
420 Litho Street
Sausalito, California 94965
Attention: City Manager

To SMFPD:

Southern Marin Fire Protection District
308 Reed Blvd.
Mill Valley, Calif. 94941
Attention: Fire Chief

Notice shall be deemed received on the date it is actually received if it is personally delivered or three (3) days after its deposit in the United States mail.

13. Entire Agreement

This Agreement, including Exhibits A, B, C, D E, F, and G which are attached hereto and incorporated herein by reference as though set forth herein in full, represents the entire agreement between the Agencies with respect to the subject matter hereof and supersedes and cancels any and all previous negotiations, arrangements, representations, agreements and communications between the parties whether written or oral, and none of the foregoing shall be used to construe or interpret this Agreement. Notwithstanding the foregoing, the Limited JPA shall remain in effect until the Effective Date at which time it shall be automatically superseded of no further force and effect.

14. Amendments

This Agreement may be amended from time to time by mutual agreement of the Agencies, in writing, and as approved by the governing bodies of each Agency.

15. Assignment.

Neither Agency may assign all or any portion of this Agreement without the prior written consent of the other Agency.

16. Attorneys' Fees.

In the event of any action or proceeding brought by either Agency against the other pertaining to or arising out of this Agreement, the finally prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred on account of such action or proceeding.

17. Remedies; Choice of Law.

No remedy or election exercised hereunder shall be deemed exclusive but shall be cumulative with all other remedies at law or in equity. This Agreement shall be governed by the laws of the State of California.

18. Severability.

A final determination by a court of competent jurisdiction that any provision of this Agreement is invalid shall not affect the validity of any other provision, and any provision so determined to be invalid shall, to the extent possible, be construed to accomplish its reflected intent.

19. Mediation

In the event the Agencies have a dispute under this Agreement that cannot be resolved by Committee recommendation and/or action of the respective governing bodies, the Agencies shall hold a joint meeting of both of their full governing bodies to attempt to resolve the dispute. If the dispute cannot be resolved following such joint meeting the dispute shall be submitted to non-binding mediation to be conducted by a mediator of the parties' mutual choosing. The cost of mediation shall be borne equally by the Agencies, except that each party shall be responsible for its own attorneys' fees, notwithstanding the provisions of Section 16, set forth above.

Nothing contained in this Section 19 shall affect the Agencies' respective rights to terminate this agreement pursuant to Section 2, above.

IN WITNESS WHEREOF, the City of Sausalito and the Southern Marin Fire Protection District have executed this agreement on the dates set forth below.

Date: _____

Date: _____

CITY OF SAUSALITO

SOUTHERN MARIN FIRE PROTECTION DISTRICT

By: D. Michael Kelly, Mayor

By: _____, President

Attest:

City Clerk

Clerk of the Board

Approved as to Form:

Mary Wagner, City Attorney

John Sharp, Counsel to SMFPD

EXHIBIT A

LEVELS OF SERVICE, STANDARDS AND MINIMUM STAFFING LEVELS

1. Levels of Service/Standards: The objective of fire and/or medical units responding from the present fire station location at 333 Johnson Street in Sausalito is to provide a total response time within the City limits of six (6) minutes or less in ninety percent (90%) of the calls for service.

2. Minimum Staffing Levels for the downtown Sausalito Fire Station

A total of five (5) full-time safety personnel from either or both Agenc(ies) shall be assigned to work at the downtown Sausalito Fire Station at all times. Minimum staffing shall be consistent with the City's Memorandum of Understanding with the recognized bargaining unit and shall include:

One (1) Company Officer (Lieutenant or higher ranking officer)

One (1) Firefighter/Paramedic or Engineer/Paramedic

Three (3) Firefighters or higher, e.g. Firefighter/Engineer

EXHIBIT B
EQUIPMENT SCHEDULE

Asset Description	VIN	Date Placed in Service	Original Cost	Est. Replace Cost	Life Expect	Actual Age
84 SUTPHEN FT Fire Truck	1S9A5LDD9E2003219	1984	251,102	850,000	15	22
95 SPARTAN	4S7A19D01SC017304	1995	279,477	448,000	10	11
95 SPARTAN (1/3 sh joint purch)*	4S7AT9D03SC017305	1995	279,476	149,333	10	11
96 GMC PK	1GTGK24R3TZ504202	1996	24,539	30,000	10	10
Inflatable Fire Boat	ACH00155F102	2002	14,725	16,000	10	4
Fire Boat (Liberty)		2004	241,921	245,000	15	2
Fire Pumper	4P1CD01H07OO7788	2007	433,635	\$647,000	10	0

EXHIBIT C

BUDGET

EXHIBIT D

CITY PROPERTY INVENTORY

In order to give the Agencies the ability to accurately identify and maintain the property of each Agency and in accordance with Section 4K of the Agreement the Fire Chief shall provide an inventory of all City property related to the provision of fire services within sixty days of the Effective Date. Upon the approval of the City Manager the inventory shall be inserted as Exhibit D. The inventory shall be updated on an annual basis and after the completion of the construction of a new fire station at 333 Johnson Street the inventory shall be revised to reflect the property in existence following the completion of construction. Such revised inventories shall be inserted in this Agreement as Exhibit D upon approval of the City Manager.

EXHIBIT E

INSURANCE LEVELS

The Agencies shall maintain the levels of insurance in existence as of the Effective Date as evidenced in their respective Declarations of Coverage which are on file with the City Clerk and the SMFPD Clerk of the Board. Such levels may be adjusted from time to time in consultation with the Committee and approval of the respective governing bodies.

EXHIBIT F

ANNUAL PAYMENT EXAMPLE

INTENTIONALLY OMITTED

EXHIBIT G
OVERTIME REPORT FORMAT