



DAN HAVERTY  
Interim Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 · Mather, California 95655 · Phone (916) 859-4300 · Fax (916) 859-3700

## BOARD OF DIRECTORS - REGULAR MEETING

Thursday, May 25, 2023 – 6:00 PM  
Sacramento Metropolitan Fire District  
10545 Armstrong Avenue  
Board Room – Second Floor  
Mather, California

&

Remotely Via Zoom  
Phone: (669) 900-6833  
Webinar ID: 830 1458 6328#  
Passcode: 268 500 458#

D'Elman Clark  
Board President  
Division 6

Grant Goold  
Board Vice President  
Division 2

Ted Wood  
Board Secretary  
Division 4

Cynthia Saylor  
Board Member  
Division 1

Robert Webber  
Board Member  
Division 3

Jennifer Sheetz  
Board Member  
Division 5

Brian Rice  
Board Member  
Division 7

Gay Jones  
Board Member  
Division 8

John Costa  
Board Member  
Division 9

*The mission of the Sacramento Metropolitan Fire District is to provide professional and compassionate protection, education and service to our community.*

The Public's health and well-being are the top priority for the Board of Directors of the Sacramento Metropolitan Fire District and you are urged to take all appropriate health safety precautions. **If you would like to view the meeting via the Zoom Application, please contact Board Clerk Rittburg via email at the address listed below.**

Members of the public seeking to attend and to address the Board who require reasonable accommodations to access the meeting, based on disability or other reasons, should contact the following person at least forty-eight (48) hours in advance of a Regular meeting to make arrangements for such reasonable accommodations:

Marni Rittburg  
Board Clerk  
(916) 859-4305

[rittburg.marni@metrofire.ca.gov](mailto:rittburg.marni@metrofire.ca.gov)

The Board will convene in open session at 6:00 p.m.

Serving Sacramento and Placer Counties



# Sacramento Metropolitan Fire District

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REGULAR BOARD MEETING

THURSDAY, MAY 25, 2023

## CALL TO ORDER

## ROLL CALL

## PLEDGE TO FLAG

## METRO CABLE ANNOUNCEMENT

This meeting of the Sacramento Metropolitan Fire District will be cablecast on Metro Cable 14, the local government affairs channel on Comcast, Consolidated Communications and AT&T U-Verse cable systems. This meeting is also webcast at [metro14live.saccounty.gov](http://metro14live.saccounty.gov). Today's meeting replays on Sunday, May 28<sup>th</sup> at 2:00pm and Monday, May 29<sup>th</sup> at 6:00pm on Channel 14. This meeting can also be viewed at [youtube.com/metrocable14](http://youtube.com/metrocable14).

## PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON AGENDA

*The Board of Directors of the Sacramento Metropolitan Fire District appreciates and encourages public interest and welcomes questions and opinions at its meetings. Public members desiring to address the Board are requested to first be recognized by the presiding officer and identify themselves for the record. The presiding officer may in the interest of time and good order limit the number of public member presentations. Speakers' comments will be limited to **three minutes** (Per Section 31 of the Board of Directors Policies and Procedures).*

*In accordance with Section 31 of the Board of Directors Policies and Procedures, members of the Public requesting their written comments be read into the meeting record must be present or have a representative present to read their comments during the time allotted.*

## CONSENT ITEMS

*Matters of routine approval including but not limited to action summary minutes, referral of issues to committee, committee referrals to the full Board, items that require yearly approval, declaration of surplus equipment, and other consent matters. Consent Agenda is acted upon as one unit unless a Board member requests separate discussion and/or action.*

## CONSENT ITEMS

- |   | <u>Page No.</u> |
|---|-----------------|
| 1. <b>Action Summary Minutes</b><br><b>Recommendation:</b> Approve the Action Summary Minutes for the Regular Board meeting of May 11, 2023.  | <b>5</b>        |
| 2. <b>Appoint Delegate and Alternate to the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority</b><br><b>Recommendation:</b> Appoint Assistant Chief Greene as the new primary delegate and Deputy Chief Tyler Wagaman as the alternate delegate for the SRFECC Joint Powers Authority effective June 1, 2023. | <b>11</b>       |



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REGULAR BOARD MEETING

THURSDAY, MAY 25, 2023

## ACTION ITEMS

1. **Service Delivery Proposals – Changing Distribution of FDMs and MMPs** 12  
*(Deputy Chief Adam Mitchell)*  
**Recommendation:** Adopt Staff's Recommendation.
2. **Disclosure of Material Expenditure – General/Property/Liability Insurance – Fire Agencies Insurance Risk Authority** 15  
*(Brad Svennungsen, USI Insurance Broker)*  
**Recommendation:** Authorize payment in the amount not to exceed \$2,264,952.00 to Fire Agencies Insurance Risk Authority.
3. **FY2022 State Homeland Security Grant Program (SHSGP) Award** 18  
*(Erin Castleberry, Administrative Analyst)*  
**Recommendation:** Adopt the Grant Acceptance Resolution.
4. **Equipment Lease Financing Contract for FY 2022/23** 20  
*(CFO O'Toole)*  
**Recommendation:** Adopt Resolution to authorize the Fire Chief and/or Chief Financial Officer to enter into an Equipment Lease with JPMorgan Chase Bank, N.A.

## REPORTS

1. **PRESIDENT'S REPORT**—*(President Clark)*
2. **FIRE CHIEF'S REPORT**—*(Interim Fire Chief Haverty)*  
**OPERATIONS REPORT** – *(Deputy Chief Mitchell)*  
**ADMINISTRATIVE REPORT** – *(Deputy Chief Bailey)*  
**SUPPORT SERVICES REPORT** – *(Deputy Chief Wagaman)*
3. **SMFD – FIREFIGHTERS LOCAL 522 REPORT** – *(BC Matt Cole, Local 522 Vice President)*
4. **COMMITTEE AND DELEGATE REPORTS**  
*All Committee Meetings will be held at the Sacramento Metropolitan Fire District Board Room, 10545 Armstrong Avenue, Mather, California unless otherwise specified.*
  - A. **Executive Committee** – *(President Clark)*  
Next Meeting: TBD
  - B. **Communications Center JPA** – *(DC Wagaman)*  
Report Out: May 23, 2023 at 9:00 AM  
Next Meeting: June 13, 2023 at 9:00 AM
  - C. **Finance and Audit Committee** – *(Director Wood)*  
Report Out: May 25, 2023 at 5:00 PM  
Next Meeting: July 27, 2023 at 5:30 PM
  - D. **Policy Committee** – *(Director Costa)*  
Next Meeting: TBD

## BOARD MEMBER QUESTIONS AND COMMENTS



# Sacramento Metropolitan Fire District

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REGULAR BOARD MEETING

THURSDAY, MAY 25, 2023

## CLOSED SESSION

1. Pursuant to California Government Code Section 54956.9 (a) –one (1) matter of Workers Compensation Settlement Authority.

Steven Caldwell and the Sacramento Metropolitan Fire District  
Claim # 4A22010AYUK-0001, – Workers Compensation Settlement Authority  
Breanna Owen of Lenahan, Slater, Pearse & Majernik, LLP

2. PERSONNEL MATTERS – PUBLIC EMPLOYEE EMPLOYMENT  
Pursuant to California Government Code Section 54957  
Fire Chief Selection Process

## CLOSED SESSION REPORT OUT

## ADJOURNMENT

### NEXT BOARD MEETING(S):

*Unless specified differently, all meetings of the Board are held at Sacramento Metropolitan Fire District, 10545 Armstrong Avenue, Mather, CA*

- Special Board Meeting – June 3, 2023 at 9:00 AM
- Regular Board Meeting – June 8, 2023 at 6:00 PM


*The following action and presentation items are scheduled for the next board meeting agenda. Board members are requested to identify additional action or presentation items they desire to be scheduled on the agenda.*

**ANTICIPATED AGENDA ITEMS:** Fiscal Year 2023/24 Preliminary Budget

Posted on May 22, 2023

Marni Rittburg, Clerk of the Board

\* No written report

\*\*  Separate Attachment

### DISABILITY INFORMATION:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (916) 859-4305. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.



DAN HAVERTY  
Interim Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 · Mather, CA 95655 · Phone (916) 859-4300 · Fax (916) 859-3702

## ACTION SUMMARY MINUTES – REGULAR MEETING

### BOARD OF DIRECTORS SACRAMENTO METROPOLITAN FIRE DISTRICT

Thursday, May 11, 2023

Held at the following locations:

10545 Armstrong Avenue – Board Room  
Mather, California  
&  
Remotely Via Zoom

#### CALL TO ORDER

The meeting was called to order at 6:00 pm by President Clark. Board members present: Clark, Costa, Goold, Jones, Saylor, Sheetz, Webber and Wood. Board members absent: Rice. Staff present: Interim Chief Haverty, General Counsel Lavra and Interim Board Clerk Martucci.

#### PUBLIC COMMENT - None

#### CONSENT ITEMS

**Action:** Moved by Goold, seconded by Jones, and carried unanimously by members present to adopt the consent calendar as follows:

- 1. Action Summary Minutes**  
**Recommendation:** Approve the Action Summary Minutes for the Regular Board meeting of April 27, 2023.  
**Action:** Approved the Action Summary Minutes.
- 2. Action Summary Minutes**  
**Recommendation:** Approve the Action Summary Minutes for the Special Board meeting of May 3, 2023.  
**Action:** Approved the Action Summary Minutes.
- 3. Resolution No. 2023-023 Lease Agreement – 2101 Hurley Way**  
**Recommendation:** Adopt Resolution authorizing the Fire Chief or his designee to sign petition for the Fulton Avenue Business Improvement District renewal and to vote on the protest ballot.  
**Action:** Approved the Resolution and to vote on the protest ballot.

#### PRESENTATION ITEMS

- 1. Behavioral Health Presentation**  
(Captain Manfredi)  
**Recommendation:** Receive presentation, no action required.  
**Action:** Received presentation, no action taken.

## ACTION ITEMS

- 1. Budget Amendments Air Ops – 212A and 212D Mid-Year Budget for FY2022/23** (*Deputy Chief Mitchell*)  
**Recommendation:** Adopt the attached Budget Amendment Resolutions  
**Action:** Moved by Goold, seconded by Wood, and carried unanimously by members present to adopt Resolutions.
- 2. Budget Amendments Water Rescue – 212A and 212D Mid-Year Budget for FY2022/23** (*Deputy Chief Mitchell*)  
**Recommendation:** Adopt the attached Budget Amendment Resolutions  
**Action:** Moved by Goold, seconded by Wood, and carried unanimously by members present to adopt Resolutions.

## REPORTS

- 1. PRESIDENT'S REPORT -** (*President Clark*)  
No Report.

- 2. FIRE CHIEF'S REPORT -** (*Interim Chief Haverly*)

Welcome to Peter Noble, hired May 8<sup>th</sup> as a Facilities Technician. HR is receiving letters of interest from, suppression Paramedics for Tactical EMS (TEMS) Paramedics. Final filing date is 4pm on May 31<sup>st</sup>.

Congratulations to the following personnel who successfully completed the Supervising Inspector test and have been placed on the eligibility list: Rebecca Leda and Christina Ganea.

In 2020, the Board adopted a strategic plan for the district which provides both guidance and policy direction for organizational planning and decision-making. We will work on this again on Saturday. One of the key strategies of the plan has to do with our own members, the people of Metro Fire, with an emphasis on the culture here at Metro Fire, which means the values, principles, dynamics that are part of the department. The Metro Way project was initiated to address this particular strategy by providing a set of values and principles that define the ideals of how we actually accomplish our mission and work together as well as it articulates our cultural philosophy, setting the framework for just about everything we do and all of our relationships. It's with great pleasure and humility that the official integration of The Metro Way into all district operations commenced yesterday. Although it became official yesterday, this department and its membership have been integrating the values and principles of the Metro Way long before the adoption of the plan and the finalization of The Metro Way document in 2020. This project was a significant undertaking and would really like to thank, recognize and applaud the hard work of all the members of this department who took part in bringing this project across the finish line.

The California Firefighters Memorial is on Sunday, October 14<sup>th</sup>, downtown. We received notification recently of the names of Metro Fire who will be added to the wall this year, including Kyle Rutherford, Jeffrey Vitti and we believe, Tim Mrozinski.

Today, I'd like to thank the Board and staff members who were present at the Fire Station 63 LODD dedication to Engineer Ronald Russell. It was quite a moving event and it was nice to dedicate another fire station to one of those past members who gave his all for us.

Saturday is the Strategic Planning Workshop, begins at 9:00 am.

## OPERATIONS REPORT

DC Mitchell provided the Operations report.

### 1. FA 23-1 GRADUATION

- A. Fire Academy 23-1 "Be Humble or Get Humbled" graduates Friday, May 19<sup>th</sup>.

### 2. SERVICE DELIVERY PRESENTATION

- A. We will be addressing your direction for service delivery proposals at the next regularly scheduled Board meeting on May 25<sup>th</sup>. This will be an action item and we look forward to that discussion.

### 3. STRATEGIC PLANNING MEETING

- A. Setting the stage for this Saturday's workshop, I wanted to reinforce the idea of strategic planning as a sustainable process where the Board can be most effective in providing the vision for Metro Fire.
  - i. Relate it to ICS/Planning process to have a common operating platform that works well as a best practice
- B. Understanding and utilizing a standardized process for the organization allows for three distinct benefits:
  - i. Better and clearer communication
  - ii. Better understanding of the plan/vision for where we are going to support the community we serve, our members, and the organization in a balanced way
  - iii. Improved decision making for budget and policy development from your level now and into the future
- C. Intent is to make sure we fully integrate this process during this coming fiscal year (23/24) utilizing the framework and starting with the standards of cover, and anticipate fully making the change for next fiscal year (24/25) moving forward.
  - i. Metro Fire does A LOT of things VERY WELL, however a better framework is needed to pave a clear path forward, so understanding that this change will be incremental to reach success is critical.
- D. Saturday's workshop will help us moving into the May 25<sup>th</sup> board meeting for the FDM/MMP Service Delivery proposals. Output from the May 25<sup>th</sup> meeting is anticipated to address three main items:
  - i. Brownout minimization and health and wellness of our members and their families this summer
  - ii. Being as close to cost neutral as possible, or actually recognizing a savings, to support fiscal accountability through the 23/24 fiscal year
  - iii. Providing the best service delivery for the community and support for our members

## **ADMINISTRATIVE REPORT**

DC Bailey provided the Administrative report. Sean Scollard was on administrative duty for thirty days. He was able to get a lot done, from workers' compensation to day-to-day personnel challenges. Community Relations division is hosting an Open House at Fire Station 68 on May 27<sup>th</sup> from 10:00 am – 12:00 pm. Fire Camp is coming in July.

Currently, the RFP (workers' compensation) is being evaluated, to be completed by May 17<sup>th</sup>. Finance is in the final stages of selecting a firm to complete the annual audit over the next three years. A recommendation will be coming on May 25<sup>th</sup>. Finance is also working on final adjustments for the Preliminary Budget. That will go to the Finance and Audit Committee on May 25<sup>th</sup> and will come to the Board for approval on June 8<sup>th</sup>. Logistics Technician interviews were from May 9<sup>th</sup> – 11<sup>th</sup>. BC promotional recruitment closes on May 26<sup>th</sup>. The Captain's written exam is tomorrow morning and he wished those going through the process good luck.

There are two MIH providers that are through backgrounds and ready to start soon, two Fire Inspectors will start on May 15<sup>th</sup>, and the Board Clerk position will start on May 22<sup>nd</sup>. There are also two Office Technicians in the process and an arson investigator with start dates in June. One Accounting Specialist should be through background process by the end of the month. There are three Paramedics and 11 EMTs that have completed backgrounds. DC Bailey also reported there are 18 Paramedics left in backgrounds; they started with 22. For the Reserve Firefighter recruitment, five have completed backgrounds.

## **SUPPORT SERVICES REPORT**

DC Wagaman provided the Support Services report. He welcomed new hire Pete Noble to Facilities division. Also on the facilities front, one of the big projects in the near future is replacing three AC units at Station 26. By having this expertise on our team, it saves money, which can cost more than \$100,000 if outsourced. Fire Station 22 will also have an AC replacement. DC Wagaman reported he recently walked the Zinfandel training site, with a OES transitioning out, it's a good time to clean up, do some weed abatement, fix the gate, and clean front signage, in preparation of the \$13 million project.

Six new ambulances have arrived and will be in service as soon as the communication division installs necessary comms equipment. Also, two type 5 fire engines are being put into service. One today, Fire Station 108 in Carmichael, and the other will be at Fire Station 111 serving Rio Linda/Elverta.

## **3. SMFD – FIREFIGHTERS LOCAL 522 REPORT**

BC Cole, thanked the Fire Chief for having Captain Manfredi give his presentation this evening. The value that the whole team brings to this organization cannot be overstated and ensuring that we are taking care of our members both on and off duty. Thank you the organization for prioritizing that program and considering the need for a peer support coordinator/clinician position.

Last week, he attended the CPF legislative conference at the Capital, where he, 522 and labor leaders were present from up and down the state. Also attended Cap to Cap and CJAC, a lot of good conversation at each. BC Cole has had the opportunity to talk to a number of Chief candidates. President Jamison spoke on Measure H at the City of Rancho Cordova special board meeting held on Tuesday. A large percentage for their Measure H allocation is prioritized to Public Safety.



There was a shop steward meeting last week in B14 and a general membership meeting today. BC Cole attended the Fire Station dedication today and it was very impactful and meaningful. He appreciates the Chief talking about the Fallen Firefighter's Memorial on October 14<sup>th</sup>. Also, the IAFF Colorado Springs memorial will be held on September 16<sup>th</sup>. BC Cole wished good luck to all of those taking the Captain's test.

#### 4. COMMITTEE AND DELEGATE REPORTS

*All Committee Meetings will be held at the Sacramento Metropolitan Fire District Board Room, 10545 Armstrong Avenue, Mather, California unless otherwise specified.*

**A. Executive Committee – (President Clark)**

Next Meeting: TBD

**B. Communications Center JPA – (DC Wagaman)**

Report Out: May 9, 2023 at 9:00 AM

DC Wagaman reported the Comm Center Board had a meeting where the presentation item was presented by Dr. Kimberly Miller Consulting. Over the next 12 months, she will conduct an organizational analysis to help the Comm Center evaluate their strengths and weaknesses, growth areas, and develop an effective direction for the future of the center.

DC Wagaman also reported to Casey Quintard has been appointed by the US Department of Transportation to a position on the National Emergency Medical Services Advisory Council (NEMSAC) for the next two years. NEMSAC serves as an advisory body to the department concerning EMS activities. This is a very prestigious appointment and Casey Quintard is a perfect recipient of this, working for a dispatch center that handles over half a million calls and dispatches over 250,000 calls per year.

Next Meeting: May 23, 2023 at 9:00 AM

**C. Finance and Audit Committee – (Director Wood)**

Next Meeting: May 25, 2023 at 5:30 PM

**D. Policy Committee – (Director Costa)**

Next Meeting: TBD

#### BOARD MEMBER QUESTIONS AND COMMENTS

Director Costa thanked the training team for the opportunity to observe and participate in the recent fire training.

Director Sheetz thanked Sherri for filling in as interim board clerk. She also wished everyone a Happy Mother's Day. A special thank you for Chief Lozano and his team for getting her fit tested. She also thanked the fire and drill cadre. It was an amazing experience.

Director Jones thanked Director Sheetz for sharing her experience. She also thanked everyone for the positive aspects of their reports tonight. She is looking forward to Saturday's strategic planning workshop.

Director Gould thanked Captain Manfredi and the entire team, in particular those men and women, out of the kindness of their heart, have decided to take on the responsibility to take care of their own. He can't think of a higher calling than that, to take your free time, sacrifice yourself, taking care of other people. He fully supports this initiative; we need to continue to be preventative and to provide the resources needed.

Director Clark thanked everyone for their reports. He is very happy for the progress we are making as an organization. He thanked the Chief for his leadership and wished everyone a Happy Mother's Day.

**The Board recessed to closed session at 7:04 pm.**

**CLOSED SESSION**

1. **Pursuant to California Government Code 54957(a)**  
Consultation with District Counsel and Cyber Security Manager  
**Action:** The Board took no reportable action.
  
2. **PERSONNEL MATTERS – PUBLIC EMPLOYEE EMPLOYMENT**  
**Pursuant to California Government Code Section 54957**  
Board Clerk Selection Process  
**Action:** The Board took no reportable action.
  
3. **PERSONNEL MATTERS – PUBLIC EMPLOYEE EMPLOYMENT**  
**Pursuant to California Government Code Section 54957**  
Fire Chief Selection Process  
**Action:** The Board took no reportable action.

**The board reconvened to open session at 7:38 pm.**

**ADJOURNMENT**

The meeting was adjourned at 7:40 pm.

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D'Elman Clark, President

\_\_\_\_\_  
Ted Wood, Secretary

\_\_\_\_\_  
Sherri Martucci, Interim Board Clerk



# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite 200 · Mather, CA 95655 · Phone (916) 859-4300 · Fax (916) 859-3702

Dan Haverty  
Interim Fire Chief

**DATE:** May 25, 2023  
**TO:** Board of Directors  
**SUBJECT:** Appoint Delegate and Alternate to the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority

## TOPIC

Request to change primary and alternate delegate to the Sacramento Regional Fire/EMS Communications Center (SRFECC) Joint Powers Authority.

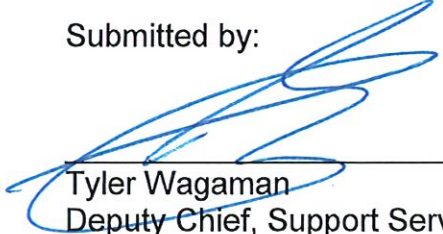
## DISCUSSION

Over the past six years, Deputy Chief Wagaman has served as the primary delegate and served as the SRFECC Chief Executive Director. In an effort to provide growth and exposures opportunities for other Chief Officers, Deputy Chief Wagaman will vacate the position and transition to the alternate delegate position. Deputy Chief Mitchell who currently serves as the alternate delegate will vacate the alternate position. Assistant Chief Greene, currently assigned to the Office of the Fire Chief, has been selected to serve as your new primary delegate. With Deputy Chief Wagaman serving as the new alternate delegate, he will ensure Chief Greene is adequately briefed and will provide direction on current and future SRFECC business.

## RECOMMENDATION

Staff recommends the Board appoint Assistant Chief Greene as the new primary delegate and Deputy Chief Tyler Wagaman as the alternate delegate for the SRFECC Joint Powers Authority effective June 1, 2023.

Submitted by:

  
Tyler Wagaman  
Deputy Chief, Support Services

Approved by:

  
Dan Haverty  
Fire Chief



# Sacramento Metropolitan Fire District

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DAN HAVERTY  
*Interim Fire Chief*

**DATE:** May 19, 2023  
**TO:** Board of Directors  
**SUBJECT:** Service Delivery Proposals – Changing Distribution of FDMs and MMPs

## BACKGROUND

During the Special Board Meeting on May 3, 2023, the Board gave staff direction to return at an upcoming board meeting with specific proposals that outline an incremental change of some of the current Fire Department Medics (FDMs) to Metro Medic Program (MMP) medic units. Other areas of focus in developing the proposals were: reducing strain and mandatory overtime at the firefighter rank through the summer/fall season, maintaining or providing increased service to the community, and being as close to cost neutral as possible, while also providing options that represent an investment in service delivery growth over the next fiscal year. Staff have worked on a number of proposals to bring before the Board for consideration and approval, and have engaged closely with Local 522 leadership throughout the process. Below are options broken down in phases for consideration.

## DISCUSSION

Currently, there are (15) FDMs, (5) MMPs, and (1) BLS pilot MMP transport unit deployed in the field, for a total of (21) Metro Fire Transport Units (MFTUs). This number does not include the AMR contract ambulances or the additional units they will deploy on July 1, 2023, nor does it include the (3) In Service Reserve Medics (ISRM's).

Phase #1: Transition (2) FDMs to (2) MMPs, and move the members staffing the pilot BLS unit into the ALS MMP unit staffing in the first part of the fiscal year of 23/24. Actual timing depends on ability to complete hiring and training. This results in (12) firefighters being added to the pool (4 per shift) which helps to minimize brownouts, as well as decrease mandatory overtime. MFTUs total (20), with (13) FDMs, (7) MMPs, and no BLS unit.

Phase #2: This phase will be implemented once phase #1 is complete. Transition (2) additional FDMs to (2) MMPs and a place a squad unit in service. Hire additional (4) MMP members to create a pool. Timing depends on ability to hire, ability to provide equipment (squad) for transition, and any facility updates/upgrades necessary. This phase will result in an additional (6) firefighters in the pool (2 additional pool firefighters per shift, total of 6 per shift)

and one (1) additional first responder unit (squad). This phase further helps with brownouts and mandatory overtime at the firefighter rank by increasing the pool size and adding a first responder. Total MFTUs remains at (20), with (11) FDMs and (9) MMPs.

Phase #3: This phase would be implemented once phase #2 is complete, mid-year budget projections are complete and indicate affordability, and apparatus/equipment is able to be purchased. Transition (2) FDMs to (2) MMPs and an additional engine or squad placed in service. This phase adds an additional first responder to the system. Total MFTUs remains at (20), with (9) FDMs and (11) MMPs.

### **FISCAL IMPACT**

Labor cost impacts for the 23/24 fiscal year for implementing phase #1 and #2 result in first year cost savings of \$189,000. However, full impact will include overhead operating costs, capital costs for purchase of apparatus not already budgeted for, and facility update or upgrade costs. Combining these anticipated costs (labor cost savings plus overhead/operating costs associated with a squad vehicle), staff anticipates a fully encumbered total of first year costs of \$57,000 (\$257,000 full year) to implement phases #1 and #2.

Phase #3 costs for labor alone are estimated at \$552,000 for the first partial year, and up to \$3.8 million for the full year. This in addition to an added \$250,000 to \$500,000 for overhead and operating costs, depending on apparatus selected, bringing the estimated full year cost to implement all three phases and an engine to \$4.2 million. Implementing this phase will likely result in utilizing reserves for funding during this next fiscal year.

It should be noted that any increased services approved by the Board for fiscal year 23/24 will also have an ongoing annual impact on the budget to continue funding these services in future fiscal years.

### **RECOMMENDATION**

Staff recommends adoption of phase #1 and phase #2 options above. This maintains a balance between fiscal accountability while taking an incremental approach. This also considers the workload and time requirements of implementing these changes within one fiscal year. Staff recommends the remaining phase(s) be considered once the Standards of Cover (SOC) document is complete. This will allow for data-driven deployment decisions based on geography to be made when identifying the type of apparatus needed to mitigate the call types to which we are responding. Staff also recommends confirming the mid-year budget supports further expansion before carrying out additional phases. It is critical to understand that the timing and implementation of this phased approach will need to adapt as budgetary projections and data are gathered to evaluate the effectiveness of the resources deployed.

Additional consideration by the Board is recommended to increase overhead and professional staff positions that will support the growth of services and the MMP program in the future.

Submitted by:

Approved by:

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Adam Mitchell  
Deputy Chief, Operations



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Dan Haverty  
Interim Fire Chief

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David O'Toole  
Chief Financial Officer



# Sacramento Metropolitan Fire District

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DAN HAVERTY  
Interim Fire Chief

**DATE:** May 25, 2023  
**TO:** Board of Directors  
**SUBJECT:** Disclosure of material expenditure – General/Property/Liability Package – Fire Agencies Insurance Risk Authority in the not to exceed amount of \$2,264,952.00.

## TOPIC

Disclosure of material expenditure to purchase Commercial Insurance for the fiscal year ending June 30, 2024.

## SUMMARY

The Districts current Commercial Insurance Package is set to expire June 30, 2023. Staff has evaluated options to provide General/Property and Liability Insurance for the District and will be expending funds in excess of the Formal Purchasing Policy threshold of \$100,000.00 requiring presentation to the Board of Directors. The expenditure will be payable to Fire Agencies Insurance Risk Authority, FAIRA, in the not to exceed amount of \$2,264,952.00.

## DISCUSSION

The District's commercial insurance package incorporates the following areas of coverage: property, automobile, and general liability. General liability is an all-encompassing package and provides coverage of risk in several areas including employment practices, employment benefits and management liability. Special District Risk Management Authority (SDRMA) is the current carrier for the Districts commercial insurance package. The District has worked with SDRMA for many years, and has seen a steady increase in renewal premiums due to a variety of factors including; increased wildfires across California, as well as a more unstable political climate and increased litigation across the state. Because of this, there are less insureds looking to work in the California markets which leaves the District with fewer insurance options.

As is done each year, staff worked with an insurance brokerage in order to request proposals for the upcoming fiscal years coverage. Because of the continual increases,

staff began discussions to see what additional risk pools or options may be available to the District. USI Insurance Services provided the District's insurance brokerage services and managed the marketing of the District's commercial insurance. Several carriers were contacted during marketing with responses from six firms. The following table summarizes the results:

<b>Carrier</b>	<b>Annual cost</b>	<b>Notes</b>
FAIRA	\$2,264,952	Does not include cyber coverage, additional cyber policy to be purchased
SDRMA	\$4.2mil approx.	\$3,627,505 last year – will be over \$4mil FY23-24
VFIS	Declined	Cannot provide all necessary lines of coverage
Allied Risk	Declined	Cannot write the primary layers – interested in writing at \$2mil and up
Travelers	Declined	Metro Fire is outside of their typical scope
Liberty Mutual	Declined	Not interested in writing in CA

As can be seen in the table above, Fire Agencies Insurance Risk Authority (FAIRA) is the lowest responsive carrier. FAIRA was founded in 1988, and is the largest and only Joint Powers Authority (JPA) providing insurance and Risk Management services tailored to meet the needs of Fire and Emergency Service Agencies. FAIRA has until last year declined to quote the District due to its size. While the District chose to bind coverage with SDRMA for last fiscal year's budget cycle because of differences in coverage limits, additional steps were taken this year in order to mitigate that increased risk including the following:

1. Aggregate differences – An insurance carrier's aggregate is the maximum amount of money your insurer will pay for all the claims you file during the policy period, which in the District's case is one year. The aggregate for SDRMA is estimated to be \$50 million for the FY23/24 year while FAIRAs is \$10 million (although it should be noted that FAIRA is 1/5 the size of SDRMA). Due to the decreased aggregate with FAIRA, the District is receiving quotes for purchasing our own excess insurance which will cover us in the event of catastrophic loss. The District is quoting anywhere from two million to five million worth of excess coverage and this will be purchased as an add-on to our commercial insurance package.
2. Last year, one of the factors that led to the decision to bind coverage with SDRMA was FAIRA's decreased coverage under their cyber security package. Due to the importance of cyber security in this era of increased attacks, the District is receiving quotes for a standalone policy in the amount of \$5,000,000. This means the District will not be purchasing the cyber coverage through FAIRA because we will have a standalone policy instead.

Even with purchasing these separate policies of coverage, the District will likely be looking at a little over \$1,000,000 in savings with its commercial insurance package while still providing adequate coverage of its vehicles, properties, and general liability.



After taking these items into consideration, it is staff's recommendation that FAIRA be chosen to carry the District's commercial insurance needs.

### FISCAL IMPACT

Sufficient funds were budgeted in the Preliminary Budget for 2023/2024 to meet this obligation.

### RECOMMENDATION

Staff recommends that the Board of Directors authorize payment in the not to exceed amount of \$2,264,952.00 to Fire Agencies Insurance Risk Authority for commercial insurance.

Submitted by:



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Ty Bailey  
Deputy Chief, Administration

Approved by:



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Interim Dan Haverty  
Fire Chief



# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite #200, Mather, CA 95655 · (916) 859-4300 · Fax (916) 859-3700

DAN HAVERTY  
Interim Fire Chief

**DATE:** May 25, 2023  
**TO:** Board of Directors  
**SUBJECT:** FY2022 State Homeland Security Grant Program (SHSGP) Award

## BACKGROUND

On November 15, 2022, Metro Fire submitted 5 applications for funding totaling \$579,670 to the Sacramento County Office of Emergency Services (SacOES) under the FY2022 State Homeland Security Grant Program (SHSGP).

Phase 3 of the Station Access Control project in the amount of \$199,990 was requested for the installation of controlled access systems at 14 fire stations in order to enhance fire station security. \$185,000 was requested for the purchase of hazardous materials chemical weapons response equipment to enhance hazardous materials response capabilities. \$38,000 was requested for the purchase of tactical EMS (TEMS) ballistic protective equipment including tactical in-ear communications, helmet-mounted lights, and ballistic plates and plate carriers. \$58,830 was requested for the purchase of three (3) low-flow inflatable rescue boats (IRB) to address an existing gap in low-flow water rescue operations. Finally, \$97,850 was requested for the deployment of a regional incident command and response mobile application to enhance multi-jurisdictional all-hazards incident planning, response, and recovery capabilities.

## DISCUSSION

On February 1, 2023, Metro Fire received notification that its applications for the following projects were not selected for funding: HazMat Chemical Weapons Response Equipment; TEMS Ballistic Protective Equipment; Low-Flow Inflatable Rescue Boats; and Regional Incident Command and Response Mobile Application.

On May 16, 2023, Metro Fire received notification of an award in the amount of \$199,990 for the Phase 3 Station Access Control project.

## FISCAL IMPACT

Grant funding in the amount of \$199,990 will be included in the FY2023/24 Preliminary Budget for the approved project. There is no match requirement.

## RECOMMENDATION

Staff recommends adoption of the attached Grant Acceptance Resolution.

Submitted by:

Erin Castleberry  
Administrative Analyst

RMarie Jones  
Accounting Specialist



DAN HAVERTY  
Interim Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite #200, Mather, CA 95655 · (916) 859-4300 · Fax (916) 859-3700

RESOLUTION NO. \_\_\_\_\_

**BEFORE THE GOVERNING BOARD OF THE  
SACRAMENTO METROPOLITAN FIRE DISTRICT  
County of Sacramento, State of California**

**A RESOLUTION ACCEPTING FY2022 STATE HOMELAND SECURITY GRANT**

**WHEREAS**, the Sacramento Metropolitan Fire District (Metro Fire) provides fire protection, emergency medical services and hazardous material response to a population of over 720,000 throughout a 359 square mile area; and

**WHEREAS**, Metro Fire submitted a State Homeland Security Grant Program (SHSGP) application totaling \$579,670 for projects including the installation of fire station controlled access systems, the purchase of hazardous materials chemical weapons response equipment, the purchase of tactical EMS (TEMS) ballistic protective equipment, the purchase of low-flow inflatable rescue boats, and the deployment of a regional incident command and response mobile application; and

**WHEREAS**, Metro Fire received an award notification on May 16, 2023 in the amount of \$199,990 to fully fund the Phase 3 Fire Station Access Control project.

**THEREFORE, BE IT RESOLVED**, that the Sacramento Metropolitan Fire District, a public entity established under the laws of the State of California, does hereby:

1. Accept the grant award in the amount of \$199,990 from the FY2022 State Homeland Security Grant Program.
2. Authorize the Fire Chief or his designee as its Authorized Agent(s) to enter into and execute the agreement with the County of Sacramento and further, authorizes the Fire Chief or his designee to execute the required and necessary documents to administer the funds awarded.

**PASSED AND APPROVED** this 25<sup>th</sup> day of May, 2023, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

**Sacramento Metropolitan Fire District**

\_\_\_\_\_  
President, Board of Directors

**Attested by:**

\_\_\_\_\_  
Clerk of the Board



# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite #200, Mather, CA 95655 · (916) 859-4300 · Fax (916) 859-3700

DAN HAVERTY  
Interim Fire Chief

**DATE:** May 25, 2023  
**TO:** Board of Directors  
**SUBJECT:** Equipment Lease Financing Contract for FY 2022/23

## TOPIC

Staff recommends approval of the following equipment lease financing contract for capital expenditures budgeted in FY 2022/23.

## SUMMARY

The District's FY 2022/23 adopted Mid-Year Budget reflects financing for vehicles and equipment purchases over a 5-year period. Financing for vehicles and equipment is typically secured near the end of the fiscal year when the funds are needed.

## DISCUSSION

In April 2023 staff received six qualified proposals for equipment leasing, from Bank of America, Bank Funding LLC, First American, JPMorgan Chase, PCN Equipment Leasing, and TD Equipment. After completing the review of these proposals, staff recommends the District enter into an equipment lease with JPMorgan Chase Bank, N.A. (Lessor), based on the lessor providing all requested information with the lowest overall cost and terms acceptable to the District. Staff has prepared preliminary documentation with the Lessor and a draft Lease Purchase Agreement is attached.

The estimated total equipment costs to be financed are listed below:

5 – Type I Engines	\$ 4,129,663
Annes Wireless System (for Copter 3)	44,465
Copter 3 Conversion	<u>750,000</u>
Total estimated cost to be financed	<u>\$ 4,924,128</u>

In 2014, the District entered into a Master Lease Purchase Agreement (Master Lease) with Lessor for the purpose of securing apparatus financing. The apparatus and equipment above will be added to the master lease under a new lease schedule with an associated payment schedule over the next five years. A payment schedule is included in the draft agreement.

As authorized by Resolution 2022-068 adopted on September 8, 2022, the District intends to reimburse the cost of certain equipment already purchased with financing proceeds.

**FISCAL IMPACT**

The interest rate for the proposed financing is 3.43%. Annual payments over the five-year term of the financing would be approximately \$541,000, with the first semi-annual payment due in FY 2023/24.

**RECOMMENDATION**

Staff recommends adopting the Resolution to authorize the Fire Chief and/or Chief Financial Officer to enter into an Equipment Lease with JPMorgan Chase Bank, N.A.

Submitted By:



Dave O'Toole  
Chief Financial Officer

Approved By:



Dan Haverty  
Interim Fire Chief



DAN HAVERTY  
Interim Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite #200, Mather, CA 95655 · (916) 859-4300 · Fax (916) 859-3700

## RESOLUTION NO. 2023-\_\_\_\_

### A RESOLUTION OF THE BOARD OF DIRECTORS FOR THE SACRAMENTO METROPOLITAN FIRE DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY LEASE PURCHASE AGREEMENTS

**WHEREAS**, the Sacramento Metropolitan Fire District (“District”) is a political subdivision of the State of California (“State”) and is duly organized and existing pursuant to the State constitution and laws; and

**WHEREAS**, pursuant to applicable law, the governing body of the District (“Board of Directors”) is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights of interests in property, leases and easements necessary to functions or operations of the District; and

**WHEREAS**, the Board of Directors hereby finds and determines that the execution of one or more lease-purchase agreements (“Equipment Leases”) in a principal amount not exceeding \$5,000,000 (“Principal Amount”) for the purpose of acquiring fire apparatus and helicopter upgrades (“Property”) as described more specifically in the Equipment Leases is appropriate and necessary to the functions and operations of the District; and

**WHEREAS**, JP Morgan Chase Bank, N.A. (“Lessor”), is expected to act as the lessor under the Equipment Leases; and

**WHEREAS**, the District may pay certain capital expenditures in connection with the Property prior to its receipt of proceeds of the Equipment Leases (“Lease Purchase Proceeds”) for such expenditures and such expenditures are not expected to exceed the Principal Amount; and

**WHEREAS**, on September 8, 2022, the District adopted Resolution 2022-068 declaring its intent to reimburse itself for certain capital expenditures from the proceeds of proposed indebtedness; and

**WHEREAS**, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital and the District shall hereby declare its official intent to be reimbursed for any capital expenditures for Property for the Lease Purchase Proceeds.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Sacramento Metropolitan Fire District, as follows:

1. Either one of the Fire Chief or the Chief Financial Officer (each an “Authorized Representative”) acting on behalf of the District is hereby authorized to negotiate,

enter into, execute and deliver one or more Equipment Leases in substantially the form set forth in the document presently before the Board of Directors, which document is available for public inspection at the office of the District. Each Authorized Representative acting on behalf of the District is hereby authorized to negotiation, enter into, execute and deliver such other documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

2. By a written instrument signed by any Authorized Representative, said Authorized Representative may designate specifically identified officers or employees of the District to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the District.
3. The aggregate original principal amount of the Equipment Leases shall not exceed the Principal Amount and shall bear interest as set forth in the Equipment Leases and the Equipment Leases shall contain such options to purchase by the District as set forth therein.
4. The District's obligations under the Equipment Leases shall be subject to annual appropriation or renewal by the Board of Directors as set forth in the Equipment Lease and the District's obligations under the Equipment Leases shall not constitute a general obligation of the District or indebtedness under the Constitution or laws of the State.
5. The Board of Directors anticipates that the District may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The Board of Directors of the District hereby declares the District's official intent to use the Lease Purchase Proceeds to reimburse itself for Property expenditures. This section of the Resolution is adopted by the Board of Directors of the District for the purpose of establishing compliance with the requirements of Section 1.150-2 of Treasury Regulations. This section of the Resolution does not bind the District to make any expenditure, incur any indebtedness, or proceed with the purchase of Property.
6. As to each Equipment Lease, the District hereby designates each Equipment Lease as a "qualified tax-exempt obligation" for the purposes of and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended ("Code") and the District reasonably anticipates that the total amount of Section 265 Tax-Exempt Obligations to be issued during the current calendar year by the District, or by an entity controlled by the District or by another entity the proceeds of which are loaned to or allocated to the District for purposes of Section 265(b) of the Code will not exceed \$10,000,000. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code.

7. This Resolution shall take effect immediately upon its adoption and approval.

**ON A MOTION** by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing resolution was passed and adopted this 25<sup>th</sup> day of May, 2023, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**SACRAMENTO METROPOLITAN FIRE DISTRICT**

By: \_\_\_\_\_  
President, Board of Directors

**ATTEST:**

\_\_\_\_\_  
Clerk of the Board



# J.P.Morgan

JPMORGAN CHASE BANK, N.A.

Mail Code OH1-1085

1111 Polaris Parkway, Suite 1P

Columbus, OH 43240-2050

May 16, 2023

Enclosed please find the documents necessary to complete your transaction with JPMorgan Chase Bank, N.A. (the "Bank"). These documents have been completed as of May 16, 2023, and reflect the pricing, terms and conditions of the transaction as of this date.

**Note that the signer's title must match the signer's title shown on the current Resolution and Incumbency Certificate.**

- **Lease Schedule** – Review, enter the Date for the Equipment/Escrow Acceptance, sign and indicate title.
- **Self-Insurance Addendum** – Please review and sign.
- **Schedule A-1** – Review, sign and indicate title.
- **Payment Schedule** – Review, sign and indicate title.
- **Vehicle Schedule Addendum** - Review, sign and indicate title.
- **Prepayment Schedule Addendum** – Review, sign and indicate title.
- **Proceeds Disbursement Authorization** – Review, sign and date, and provide the signer's title where indicated.
- **Resolution** – Please provide a copy of the Board Resolution for the upcoming meeting on 6/2/23.
- **Certificate of Incumbency** – The individuals that are duly elected or appointed officers of the Lessee should Print Name and Title and provide signatures. The Secretary/Clerk of the Lessee should Print Name, Title, Date and sign. If the Secretary/Clerk is also authorized to execute the Lease-Purchase Agreement, a second officer must Print Name, Title and sign.
- **Opinion of Counsel** – Please have your counsel review the documents as soon as possible, and prepare an Opinion of Counsel letter on their letterhead addressed to JPMORGAN CHASE BANK, N.A. A sample of an Opinion of Counsel letter that will satisfy JPMORGAN CHASE BANK, N.A. is enclosed.
- Provide a copy of the Performance Bond showing JPMC as added to the obligee Rider.
- **IRS Form 8038-G** – Enclosed is the 8038-G form (Information Return for Tax-Exempt Governmental Bonds) with instructions that is required for IRS reporting of tax-exempt financing. The 8038-G form is used when the issue price is greater than or equal to \$100,000. Please refer to

the enclosed instructions when completing the information on the form and have an Authorized Signer sign and date at the bottom.

- **Equipment Acquisition Fund Agreement** – please review and sign.
- **Exhibit A – Payment Request** – With each request for Disbursement from the Escrow Account, Date, complete the Acceptance Date, Circle either Yes or No regarding the Final Request.
  - **Payee #1** – Complete the Payee Name and Address, Invoice Number, Date and Amount. Complete the Bank Wire Instructions for the funds transfer including Name of Bank, ABA/Routing Number, Account Number and the Name on the Account. Repeat for each payee.

Note: If the disbursement is for a reimbursement, enter your Name as the Payee and provide the Lessee's Bank Wire Instructions.

- **Provide 2 Contacts** that can confirm wire instructions on a Recorded Line with our Wire

We would like to thank you for choosing JPMorgan Chase Bank, N.A. to assist with your equipment financing. We appreciate your business and welcome the opportunity to work with you.

If you have any questions, concerns, or if I can be of assistance, please reach out to me at [karen.l.williams@jpmorgan.com](mailto:karen.l.williams@jpmorgan.com) from 7:30 a.m. through 4:00 p.m. ET Monday through Friday. I'll be happy to help you.

Sincerely,  
*Karen Williams*  
Documentation Specialist

## LEASE SCHEDULE

Dated as of: JUNE 28, 2023

Lease No.: 1000149636

This Lease Schedule, together with its Payment Schedule, is attached and made a part of the Master Lease-Purchase Agreement described below ("Master Lease") between the Lessee and Lessor named below. All terms and conditions of the Master Lease are incorporated herein by reference. Unless otherwise defined herein, capitalized terms defined in the Master Lease will have the same meaning when used herein.

Master Lease-Purchase Agreement dated June 9, 2014.

- A. **EQUIPMENT DESCRIBED:** The Equipment includes all of the property described on Schedule A-1 attached hereto and made a part hereof.
- B. **EQUIPMENT LOCATION:** See Attached Schedule A-1
- C. **RESERVED.**
- D. **ESSENTIAL USE; CURRENT INTENT OF LESSEE:** Lessee represents and agrees that the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens and the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority. Lessee currently intends for the full Lease Term: to use the Equipment; to continue this Lease; and to make Rental Payments if funds are appropriated in each fiscal year by its governing body.
- E. **RENTAL PAYMENTS; LEASE TERM:** The Rental Payments to be paid by Lessee to Lessor, the interest rate at which the interest portion of the Rental Payments is calculated, the Taxable Rate, the commencement date and the Lease Term of this Lease Schedule are each set forth on the Payment Schedule attached to this Lease Schedule.
- F. **RE-AFFIRMATION OF THE MASTER LEASE:** Lessee hereby re-affirms all of its representations, warranties and obligations under the Master Lease (including, without limitation, its obligation to pay all Rental Payments, its disclaimers in Section 7 thereof and its representations in Sections 6.1 and 16 thereof).
- G. **GOVERNMENT REGULATION. ANTI-CORRUPTION.**

(a) **Representations and Warranties Regarding Anti-Corruption Laws and Sanctions.** Lessee has implemented and maintains in effect policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Lessee and its officers and employees and to the knowledge of Lessee its agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) Lessee or to the knowledge of Lessee any of its respective officers or employees, or (b) to the knowledge of Lessee, any agent of Lessee that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No advance, letter of credit, use of proceeds or other transaction contemplated by this Lease will violate Anti-Corruption Laws or applicable Sanctions.

(b) **Compliance with Anti-Corruption Laws and Sanctions.** Lessee shall maintain in effect and enforce policies and procedures designed to ensure compliance by Lessee and its officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(c) **Use of Proceeds.** Lessee shall not use, or permit any proceeds of the Lease to be used, directly or indirectly, by Lessee or its officers, employees and agents: (1) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws; (2) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country; or (3) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

(d) **Definitions.** For the purposes of this Section G, the following terms shall have the following meanings: "Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Lessee or its subsidiaries from time to time concerning or relating to bribery or corruption. "Person" means any individual, corporation, partnership, limited liability company, joint venture, joint stock association, association, bank, business trust, trust, unincorporated organization, any

foreign governmental authority, the United States of America, any state of the United States and any political subdivision of any of the foregoing or any other form of entity. "Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State. "Sanctioned Country" means, at any time, a country, region or territory which is the subject or target of any Sanctions (as at the time of this Agreement, Crimea, Cuba, Iran, North Korea, Sudan and Syria). "Sanctioned Person" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person controlled by any such Person.

- H. BANK QUALIFIED: LESSEE CERTIFIES (a) THAT IT HAS DESIGNATED THIS LEASE AS A "QUALIFIED TAX-EXEMPT OBLIGATION" FOR THE PURPOSES OF AND WITHIN THE MEANING OF SECTION 265(b)(3) OF THE CODE, (b) THAT IT HAS NOT DESIGNATED MORE THAN \$10,000,000 OF ITS OBLIGATIONS AS QUALIFIED TAX-EXEMPT OBLIGATIONS IN ACCORDANCE WITH SECTION 265(b)(3) OF THE CODE FOR THE CURRENT CALENDAR YEAR AND (c) THAT IT REASONABLY ANTICIPATES THAT THE TOTAL AMOUNT OF SECTION 265 TAX-EXEMPT OBLIGATIONS TO BE ISSUED DURING THE CURRENT CALENDAR YEAR BY LESSEE, OR BY AN ENTITY CONTROLLED BY LESSEE OR BY ANOTHER ENTITY THE PROCEEDS OF WHICH ARE LOANED TO OR ALLOCATED TO LESSEE FOR PURPOSES OF SECTION 265(b) OF THE CODE WILL NOT EXCEED \$10,000,000. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code.



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LEASE SCHEDULE  
SIGNATURE PAGE

LESSOR AND LESSEE the parties hereto have executed this Lease Schedule as of the date first referenced above.

SACRAMENTO METROPOLITAN FIRE DISTRICT  
lessee

JPMORGAN CHASE BANK, N.A.  
lessor

By \_\_\_\_\_  By \_\_\_\_\_  
title \_\_\_\_\_  title Authorized Officer

**LEASE SCHEDULE ADDENDUM**  
(Self Insurance)

**Lessee: SACRAMENTO METROPOLITAN FIRE DISTRICT**

**Lease Schedule No: 1000149636**

Reference is made to the above Lease Schedule as amended ("Schedule") and to the Master Lease-Purchase Agreement identified therein as amended ("Master Lease"), both of which are by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). In this Addendum: "Lease" means the Schedule and the Master Lease to the extent that it relates to the Schedule; and "Equipment" means the property described in the Schedule. This Addendum amends and modifies the terms and conditions of the Lease and is hereby made a part of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein.

**NOW, THEREFORE**, as part of the valuable consideration to induce the execution of the Lease, Lessor and Lessee hereby agree to amend the Lease as follows:

**1. CASUALTY LOSS.** Notwithstanding anything to the contrary in Section 14 of the Master Lease, Lessor agrees that Lessee may self-insure against risk of casualty loss of or physical damage to the Equipment; provided, that (i) proceeds of such insurance are payable to Lessor as lender loss payee and (ii) upon written notice from Lessor to Lessee, Lessee agrees to secure and maintain commercial insurance against such risks to the Equipment as otherwise required by the Master Lease if an event of default has occurred and is continuing under the Master Lease.

**2. THIRD PARTY LIABILITY.** Notwithstanding anything to the contrary in Section 14 of the Master Lease, Lessor agrees that Lessee may self-insure against risk of injuries to persons and damage to property of others relating in any way to any Equipment; provided, that upon written notice from Lessor to Lessee, Lessee agrees to secure and maintain commercial insurance against such risks as otherwise required by the Master Lease if an event of default has occurred and is continuing under the Master Lease.

**3. COMPLIANCE WITH LAW; ACTUARIALLY SOUND BASIS.** Lessee agrees that its self insurance arrangements as described herein shall comply with applicable State law related thereto or, if there is no State law applicable to such self insurance arrangements, then Lessee's self insurance arrangements shall be maintained on an actuarially sound basis.

**4. GENERAL.** Except as expressly amended by this Addendum and other modifications signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date of the Schedule first referenced above.

SACRAMENTO METROPOLITAN FIRE DISTRICT  
(Lessee)

JPMORGAN CHASE BANK, N.A.  
(Lessor)

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

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

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

Title: Authorized Officer

**SCHEDULE A-1**  
(Equipment List)

<b>Expected Equipment Purchase Price</b>	<b>\$4,924,128.00</b>
<b>Net Amount Financed</b>	<b>\$4,924,128.00</b>
<b>Equipment Location:</b>	<b>Various locations around the City of Sacramento</b>
<b>Equipment Description:</b>	<b>Vehicles and Essential Equipment</b>

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS, PARTS, REPAIRS, IMPROVEMENTS, REPLACEMENTS AND SUBSTITUTIONS THERETO.

This Schedule A-1 is attached to the Lease Schedule 1000149636 or a Receipt Certificate/Payment Request relating to the Lease Schedule.

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SCHEDULE A-1  
(Equipment List)

SACRAMENTO METROPOLITAN FIRE DISTRICT  
(Lessee)

JPMORGAN CHASE BANK, N.A  
(Lessor)

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

SIGN HERE

Title: \_\_\_\_\_ Title: Authorized Officer

INSERT TITLE

**Payment Schedule**

This Payment Schedule is attached and made a part of the Lease Schedule identified below which is part of the Master Lease-Purchase Agreement identified therein, all of which are between the Lessee and Lessor named below.

Lease Schedule No.        **1000149636**  
 Lease Schedule Dated:    **June 28, 2023**  
 Accrual Date                **June 28, 2023**  
 Amount Financed          **\$4,924,128.00**  
 Interest Rate                **3.4300% per annum**  
 Taxable Rate                **4.3490% per annum**

<b>Rent Number</b>	<b>Rent Date</b>	<b>Rent Payment</b>	<b>Interest Portion</b>	<b>Principal Portion</b>	<b>Principal Balance</b>	<b>Termination Value</b>
1	12/28/2023	\$540,043.78	\$84,448.80	\$455,594.98	\$4,468,533.02	N/A
2	6/28/2024	\$540,043.78	\$76,635.35	\$463,408.43	\$4,005,124.59	N/A
3	12/28/2024	\$540,043.78	\$68,687.89	\$471,355.89	\$3,533,768.70	\$3,533,768.70
4	6/28/2025	\$540,043.78	\$60,604.14	\$479,439.64	\$3,054,329.06	\$3,054,329.06
5	12/28/2025	\$540,043.78	\$52,381.75	\$487,662.03	\$2,566,667.03	\$2,566,667.03
6	6/28/2026	\$540,043.78	\$44,018.34	\$496,025.44	\$2,070,641.59	\$2,070,641.59
7	12/28/2026	\$540,043.78	\$35,511.51	\$504,532.27	\$1,566,109.32	\$1,566,109.32
8	6/28/2027	\$540,043.78	\$26,858.78	\$513,185.00	\$1,052,924.32	\$1,052,924.32
9	12/28/2027	\$540,043.78	\$18,057.66	\$521,986.12	\$530,938.20	\$530,938.20
10	6/28/2028	\$540,043.78	\$9,105.58	\$530,938.20	\$0.00	\$0.00
<b>TOTALS</b>		<b>\$5,400,437.80</b>	<b>\$476,309.80</b>	<b>\$4,924,128.00</b>		



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Payment Schedule  
Signature Page

ESS EREO the parties hereto have executed this Payment Schedule as of the date first referenced above.

SACRAMENTO METROPOLITAN FIRE DISTRICT  
essee

JPMORGAN CHASE BANK, N.A.  
essor

By \_\_\_\_\_  By \_\_\_\_\_  
title \_\_\_\_\_  title Authorized Officer

**VEHICLE SCHEDULE ADDENDUM**

**Dated As of: JUNE 28, 2023**

**Lease Schedule No: 1000149636**

**Lessee: SACRAMENTO METROPOLITAN FIRE DISTRICT**

Reference is made to the above Lease Schedule ("Schedule") to the Master Lease-Purchase Agreement identified in the Schedule ("Master Lease") by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). This Addendum amends and modifies the terms and conditions of the Schedule and is hereby made a part of the Schedule. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of the Schedule, Lessor and Lessee hereby agree to amend the Schedule as follows:

1. In the event that any unit of Equipment covered by the Schedule is a vehicle or trailer under applicable State law, then the following provisions shall also apply to the Schedule:
  - (a) each manufacturer's statement of origin and certificate of title shall state that Lessor has the first and sole lien on or security interest in such unit of Equipment;
  - (b) Lessee shall furnish and permit only duly licensed, trained, safe and qualified drivers to operate any such unit of Equipment, and such drivers shall be agents of Lessee and shall not be agents of Lessor; and
  - (c) Lessee shall cause each such unit of Equipment to be duly registered and licensed as required by applicable State law with Lessor noted as lienholder, listed at address below and Lessee as owner.

Lessor's Address:  
**JPMORGAN CHASE BANK, N.A.**  
**10 S. Dearborn, Floor L2**  
**Chicago, Illinois, 60603**

2. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Schedule remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

(Signature Page on following Page)

SACRAMENTO METROPOLITAN FIRE DISTRICT  
(Lessee)

JPMORGAN CHASE BANK, N.A.  
(Lessor)

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

Title: \_\_\_\_\_  Title: Authorized Officer

**PREPAYMENT SCHEDULE ADDENDUM**  
(Break Funding Premium)

**Dated as of:** JUNE 28, 2023

**Lease Schedule No.:** 1000149636

**Lessee:** SACRAMENTO METROPOLITAN FIRE DISTRICT

Reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between **JPMORGAN CHASE BANK, N.A.** ("Lessor") and the above lessee ("Lessee"). As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Schedule Addendum amends and supplements the terms and conditions of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein. **Solely for purposes of the Schedule, Lessor and Lessee agree as follows:**

1. Notwithstanding anything to the contrary in the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule), Lessee and Lessor agree that so long as no Event of Default has occurred and continues under the Lease and so long as Lessee gives Lessor at least 30 days prior written notice (the "Notice Period"), Lessee may elect to prepay its obligations under the Schedule by paying to Lessor on the Rent Payment due date (a "Prepayment Date") following the Notice Period the total of the following (the "Prepayment Amount"): (a) all accrued Rent Payments, interest, taxes, late charges and other amounts then due and payable under the Lease; plus (b) the remaining principal balance payable by Lessee under the Schedule as of said Prepayment Date.
2. In addition to the prepayment amounts required by paragraph 1 above, a Breakfunding Charge shall be due and payable if (i) exceeds (ii) where (i) equals the interest portion of each of the Rent Payments which would have been paid if such prepayment had not occurred calculated at the interest rate swap including any forward rate swap, if any, which Lessor shall be deemed to have entered into on the earlier of (a) the date the Lease was originally funded or (b) the date a rate lock letter was signed, if any, and (ii) equals the interest portion of each of the Rent Payments which would have been paid if such prepayment had not occurred calculated at the interest rate swap which Lessor shall be deemed to have entered into on the date of prepayment (the "Replacement Swap").
3. The prepayment or early purchase option rights granted herein shall control in the event of any conflict between the provisions of this Addendum and the Master Lease as it relates to the Schedule. Except as expressly amended or supplemented by this Addendum and other instruments signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

(The next page is the signature page)

**PREPAYMENT SCHEDULE ADDENDUM  
SIGNATURE PAGE**

IN WITNESS WHEREOF, the parties hereto have executed this Prepayment Addendum as of the date first written above.

**SACRAMENTO METROPOLITAN FIRE DISTRICT**  
(Lessee)

**JPMORGAN CHASE BANK, N.A.**  
(Lessor)

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

Title: \_\_\_\_\_  Title: Authorized Officer

PROCEEDS DISBURSEMENT AUTHORIZATION

JPMORGAN CHASE BANK, N.A.  
1111 Polaris Parkway, Suite N4 (OH1-1085)  
Columbus, Ohio 43240

Date: June 28, 2023

Re: Disbursements Of Proceeds Under The MASTER LEASE PURCHASE AGREEMENT Referred To Below

Reference is made to that certain Master Lease Purchase Agreement dated June 9, 2014 between SACRAMENTO METROPOLITAN FIRE DISTRICT, ("Lessee") and JPMORGAN CHASE BANK, N.A. (the "Lessor")

I hereby instruct you and authorize you to disburse \$4,924,128.00 to the account number(s) as specified below:

Payee #1

Wire:

Name of Bank: Bank of the West  
ABA No.: 121100782  
Account Number: 051638732  
Account Name: County of Sacramento – SMFD “212D Capital  
Amount: Outlay \$794,465.00  
Re: \_\_\_\_\_

Payee #2

Wire:

Name of Bank: Wells Fargo Bank  
ABA No.: 121000248  
Account Number: 000006071343955  
Account Name: Sacramento Metropolitan Fire District  
Amount: \$4,129,663.00  
Re: \_\_\_\_\_

By signing below, Lessee authorizes Lessor to issue checks or direct fund transfers to the payees, in the amounts, and per the instructions (if applicable) set forth above. Lessee also acknowledges that it may be responsible for paying other fees directly to third parties, such as Lessor's counsel, and making other disbursements in connection with the lease transaction per the terms of the lease documents. Lessor may rely and act on the instructions set forth herein and shall not be responsible for the use or application of the funds, and Lessee shall indemnify, defend and hold harmless Lessor from and against any and all losses, costs, expenses, fees, claims, damages, liabilities, and causes of action in any way relating to or arising from acting in accordance therewith. In the event of any conflict with any other instruction set forth herein, the ABA # and Account # shall control.

IN WITNESS WHEREOF, the Lessee has caused this Proceeds Disbursement Authorization to be executed as of the day and year first above written.

(The next page is signature page)



SACRAMENTO METROPOLITAN FIRE DISTRICT

(Lessee)

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

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



TODD HARMS  
Fire Chief

# Sacramento Metropolitan Fire District

10545 Armstrong Ave., Suite #200, Mather, CA 95655 · (916) 859-4300 · Fax (916) 859-3700

## RESOLUTION NO. 2022-068

### A RESOLUTION OF THE BOARD OF DIRECTORS FOR THE SACRAMENTO METROPOLITAN FIRE DISTRICT DECLARING THE OFFICIAL INTENT OF THE DISTRICT TO REIMBURSE ITSELF FOR CERTAIN CAPITAL AND OTHER EXPENDITURES FROM THE PROCEEDS OF PROPOSED INDEBTEDNESS

**WHEREAS**, the Sacramento Metropolitan Fire District (hereinafter referred to as District) intends to purchase certain equipment, including medics, medic remounts, engines and other vehicles and equipment (Capital Assets); and

**WHEREAS**, the District expects to expend some of its own funds to purchase the Capital Assets (Reimbursement Expenditures) prior to the issuance of indebtedness for the purpose of financing costs associated with the Capital Assets on a long-term basis; and

**WHEREAS**, the District reasonably expects that the debt obligations for the Capital Assets will be issued in total for not more than \$8,000,000 and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

**WHEREAS**, proceeds of such debt obligations will be allocated to Reimbursement Expenditures no later than 18 months after the latter of (i) the date the cost is paid or (ii) the date the Capital Asset is placed in service or abandoned (but in no event more than 3 years after the cost is paid).

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Sacramento Metropolitan Fire District, as follows:

#### **SECTION 1. Compliance with Treasury Regulations**

This declaration is made solely for purposes of establishing compliance with requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the District to make any Capital Asset expenditure or incur any indebtedness.

#### **SECTION 2. Intent to Reimburse the District from Proceeds of Indebtedness**

The District hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

**SECTION 3. Effective Date**

This Resolution shall take effect from and after the date of its passage and adoption.

**PASSED AND APPROVED** this 8<sup>th</sup> day of September, 2022, by the following vote, to wit:

**AYE:** Clark, Jones, Rice, Saylor, White, Wood

**NOE:** None

**ABSENT:** Goold, Orzalli, Sheetz

**ABSTAIN:** None

**SACRAMENTO METROPOLITAN FIRE DISTRICT**

By: Anthony Saylor  
President, Board of Directors

ATTEST:

Melissa Penilla  
Clerk of the Board

**CERTIFICATE OF INCUMBENCY**

**Dated:**               **JUNE 28, 2023**

**Lease Schedule No:** 1000149636

**Lessee:**               **SACRAMENTO METROPOLITAN FIRE DISTRICT**

I, the undersigned Secretary/Clerk identified below, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee (the "Lessee"), a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

[NOTE: Use same titles as Authorized Representatives stated in Resolutions.]

Name	Title	Signature
------	-------	-----------

Name	Title	Signature
------	-------	-----------

IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal of such Lessee as of the date set forth below.

\_\_\_\_\_  
Signature of Secretary/Clerk of Lessee

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

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

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

NOTE: In case the Secretary/Clerk is also the authorized representative that executes a Lease-Purchase Agreement / documents by the above incumbency, this certificate must also be signed by a second officer.

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

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

**FORM OF OPINION OF COUNSEL**  
(To Be Typed on Attorney's Letterhead Stationery)

**Date:** JUNE 28, 2023

**Lessee:** SACRAMENTO METROPOLITAN FIRE DISTRICT

**Lessor:** JPMORGAN CHASE BANK, N.A.

**Re:** Lease Schedule No. 1000149636 dated June 28, 2023 together with its Master Lease-Purchase Agreement dated as of June 9, 2014 by and between the above-named Lessee and the above-named Lessor and the Escrow Agreement dated June 28, 2023 relating to the foregoing.

Sir/Madam:

I have acted as counsel to Lessee with respect to the Lease Schedule and its Addenda, the Master Lease-Purchase Agreement and its Addenda, and all other agreements described above or related thereto (collectively, the "Agreements") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Agreements and such other documents as I have deemed necessary for the purposes of this opinion.

Based upon the examination of such documents, it is my opinion that:

1. Lessee is a political subdivision of the State of CA (the "State") duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee is authorized and has power under State law to enter into all of the Agreements, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreements and all other documents related thereto have been duly authorized, approved and executed by and on behalf of Lessee, and each of the Agreements is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting creditor's remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.
4. The authorization, approval and execution of the Agreements and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable Local, State and Federal laws (including open meeting laws and public bidding and property acquisition laws).
5. To the best of my knowledge, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of Lessee; the authority of its officers; the proper authorization, approval and execution of any of the Agreements or any documents relating thereto; the appropriation of monies to make payments under the Agreements for the current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Agreements and the transactions contemplated thereby.
6. Lessee is a political subdivision of the State as referred to in Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder.

Lessor, its Assignee and any of their assigns may rely upon this opinion.

Very truly yours,

Attorney

# Information Return for Tax-Exempt Governmental Bonds

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

▶ Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

<b>Part I Reporting Authority</b>		Check box if Amended Return <input type="checkbox"/>
1 Issuer's name		2 Issuer's employer identification number (EIN)
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code		7 Date of issue
8 Name of issue		9 CUSIP number
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information		10b Telephone number of officer or other employee shown on 10a

**Part II Type of Issue (Enter the issue price.)** See the instructions and attach schedule.

11 Education . . . . .	11
12 Health and hospital . . . . .	12
13 Transportation . . . . .	13
14 Public safety . . . . .	14
15 Environment (including sewage bonds) . . . . .	15
16 Housing . . . . .	16
17 Utilities . . . . .	17
18 Other. Describe ▶	18
19a If bonds are TANs or RANs, check only box 19a . . . . . ▶ <input type="checkbox"/>	
b If bonds are BANs, check only box 19b . . . . . ▶ <input type="checkbox"/>	
20 If bonds are in the form of a lease or installment sale, check box . . . . . ▶ <input type="checkbox"/>	

**Part III Description of Bonds.** Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

**Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)**

22 Proceeds used for accrued interest . . . . .	22
23 Issue price of entire issue (enter amount from line 21, column (b)) . . . . .	23
24 Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24
25 Proceeds used for credit enhancement . . . . .	25
26 Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V . . . . .	27
28 Proceeds used to refund prior taxable bonds. Complete Part V . . . . .	28
29 Total (add lines 24 through 28) . . . . .	29
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .	30

**Part V Description of Refunded Bonds.** Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded . . . ▶	_____ years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded . . . ▶	_____ years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) . . ▶	_____
34 Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	_____

**Part VI Miscellaneous**

- 35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . 35
- 36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . 36a
  - b Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) \_\_\_\_\_
  - c Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . 37
- 38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box  and enter the following information:
  - b Enter the date of the master pool bond ▶ (MM/DD/YYYY) \_\_\_\_\_
  - c Enter the EIN of the issuer of the master pool bond ▶ \_\_\_\_\_
  - d Enter the name of the issuer of the master pool bond ▶ \_\_\_\_\_
- 39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ▶
- 40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ▶
- 41a If the issuer has identified a hedge, check here  and enter the following information:
  - b Name of hedge provider ▶ \_\_\_\_\_
  - c Type of hedge ▶ \_\_\_\_\_
  - d Term of hedge ▶ \_\_\_\_\_
- 42 If the issuer has superintegrated the hedge, check box . . . . . ▶
- 43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ▶
- 44 If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▶
- 45a If some portion of the proceeds was used to reimburse expenditures, check here  and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
  - b Enter the date the official intent was adopted ▶ (MM/DD/YYYY) \_\_\_\_\_

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.			
	▶ _____ Signature of issuer's authorized representative	_____ Date	▶ _____ Type or print name and title	
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

# Instructions for Form 8038-G

(Rev. October 2021)



Department of the Treasury  
Internal Revenue Service

## Information Return for Tax-Exempt Governmental Bonds

Section references are to the Internal Revenue Code unless otherwise noted.

### Future Developments

For the latest information about developments related to Form 8038-G and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8038G](https://www.irs.gov/Form8038G).

### General Instructions

#### Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental bonds to provide the IRS with the information required by section 149(e) and to monitor compliance with the requirements of sections 141 through 150.

#### Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental bonds issued after December 31, 1986, issuers must file...
\$100,000 or more	a separate Form 8038-G for each issue.
less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales.

#### When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-G under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust indenture or other bond documents. See *Where To File* next.

#### Where To File

File Form 8038-G and any attachments at the following address.

Department of the Treasury  
Internal Revenue Service Center  
Ogden, UT 84201

**Private delivery services.** You can use certain private delivery services (PDS) designated by the IRS to meet the "timely mailing as timely filing" rule for tax returns. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of designated services.

The PDS can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you're using PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses).



**PDS can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.**

#### Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

#### Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar (for example, \$1.39 becomes \$1 and \$2.50 becomes \$3).

If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

#### Definitions

**Bond.** This is any obligation, including bond, note, commercial paper, installment purchase agreement, or financing lease.

**Taxable bond.** This is any bond the interest on which is not excludable from gross income under section 103. Taxable bonds include tax credit bonds and direct pay bonds.

**Tax-exempt bond.** This is any obligation, including a bond, installment purchase

agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental bond.** A tax-exempt bond that is not a private activity bond (see next) is a tax-exempt governmental bond. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes a bond issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use; and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property), or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units, and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue price.** The issue price of bonds is generally determined under Regulations section 1.148-1(f). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the bonds are sold to the public. To determine the issue price of a bond issued for property, see sections 1273 and 1274 and the related regulations.

**Issue.** Generally, bonds are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions (see Regulations section 1.149(e)-1(e)(2)). However, bonds issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan"), or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the bonds are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for bonds issued under a draw-down loan that meet the requirements of the preceding



sentence, bonds issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first bond. Likewise, bonds (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first bond.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets **both** of the following conditions.

1. At least 75% of the available construction proceeds are to be used for construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization.
2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1½% of the amount of the available construction proceeds of the issue that do not meet certain spending requirements as of the close of each 6-month period after the date the bonds were issued. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

**Pooled financing issue.** This is an issue of tax-exempt bonds, the proceeds of which are to be used to finance purpose investments representing conduit loans to two or more conduit borrowers, unless those conduit loans are to be used to finance a single capital project.

## Specific Instructions

### Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you

are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

**Line 1.** The issuer's name is the name of the entity issuing the bonds, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply online by visiting the IRS website at [IRS.gov/EIN](https://www.irs.gov/ein). The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

**Line 3a.** If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed on line 3a must be an individual. Do not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

**Note.** By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Lines 4 and 6.** If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

**Note.** The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

**Line 7.** The date of issue is generally the first date on which the issuer physically exchanges any bond included in the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in an MM/DD/YYYY format.

**Line 8.** If there is no name of the issue, please provide other identification of the issue.

**Line 9.** Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

**Line 10a.** Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

### Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of bonds issued by entering the issue price in the box corresponding to the type of bond (see *Issue price* under *Definitions*, earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these bonds, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

**Line 18.** Enter a description of the issue in the space provided.

**Line 19.** If the bonds are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the bonds are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

**Line 20.** Check this box if property other than cash is exchanged for the bond, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of bond is sometimes referred to as a "municipal lease.") Also check this box if real property is directly acquired in

exchange for a bond to make periodic payments of interest and principal. **Do not** check this box if the proceeds of the bond are received in the form of cash, even if the term "lease" is used in the title of the issue.

### Part III—Description of Bonds

**Line 21.** For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions*, earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write "N/A" in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to figure the present value of all payments of principal and interest to be paid on the bond, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to figure the yield on an issue. If the issue is a variable rate issue, write "VR" as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

### Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write "N/A" in the space to the right of the title for Part IV.

**Line 22.** Enter the amount of proceeds that will be used to pay interest on the issue accruing prior to the date of issue. For definition of date of issue, see these instructions, line 7.

**Line 24.** Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

**Line 25.** Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for

example, bond insurance premiums and certain fees for letters of credit).

**Line 26.** Enter the amount of proceeds that will be allocated to such a fund.

**Line 27.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any tax-exempt bonds, including proceeds that will be used to fund an escrow account for this purpose.

**Line 28.** Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any taxable bonds, including proceeds that will be used to fund an escrow account for this purpose.

### Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds or taxable bonds. For a lease or installment sale, write "N/A" in the space to the right of the title for Part V.

**Lines 31 and 32.** The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined in the same manner as on line 21, column (d).

**Line 34.** If more than a single issue of tax-exempt bonds or taxable bonds will be refunded, enter the date of issue for each refunded issue. Enter the date in an MM/DD/YYYY format.

### Part VI—Miscellaneous

**Line 35.** An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

**Line 36.** If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

**Line 37.** If the issue is a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), enter the amount of the proceeds used to make loans to other governmental units, the interest on which is tax exempt.

**Line 38.** If the issue is a loan of proceeds from a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), check the box and where asked for the date of issue, EIN, and name of the issuer of the master pool bond, enter the date of issue, EIN, and name of the issuer of the pooled financing issue.

**Line 40.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 41a.** Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5)(iv) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for figuring arbitrage.

**Line 42.** In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

**Line 43.** If the issuer takes a "deliberate action" after the issue date that causes the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

**Line 44.** Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

**Line 45a.** Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

**Line 45b.** Subject to certain exceptions under Regulations section 1.150-2(f), an issuer must adopt an official intent, as described in Regulations section 1.150-2(e), to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure.

Enter the date the official intent was adopted.

### Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

**Note.** If the issuer in Part I, lines 3a and 3b, authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

### Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who

prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

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**Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on the individual circumstances. The estimated burden for tax-exempt organizations filing this form is approved under OMB control number 1545-0047 and is included in the estimates shown in the instructions for their information return.

If you have suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments).

Or you can write to:

Internal Revenue Service  
Tax Forms and Publications  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224

**Do not** send the form to this address. Instead, see *Where To File*, earlier.

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**EQUIPMENT ACQUISITION FUND AGREEMENT**  
(Gross Fund-Earnings to Lessee)

Dated as of: June 28, 2023

Lease Schedule Number: 1000149636

Lessee: SACRAMENTO METROPOLITAN FIRE DISTRICT

This **EQUIPMENT ACQUISITION FUND AGREEMENT** together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Agreement") is made and entered into as of the date set forth above by and between the Lessee identified above ("Lessee") and **JPMORGAN CHASE BANK, N.A.** ("Lessor"). In connection with this Agreement, reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between the Lessor and the Lessee. As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein. As used herein, "Party" shall mean any of Lessee or Lessor, and "Parties" shall mean all of Lessee and Lessor. All references to Lessor shall mean JPMorgan Chase Bank, N.A. in its capacity as lessor only.

For good and valuable consideration, receipt of which is hereby acknowledged, and solely for purposes of the Schedule, the parties hereto agree as follows:

**SECTION 1. RECITALS.**

1.01 Lessor and Lessee have entered into the Lease identified above whereby Lessor has agreed to lease and sell certain property generally described in the attached Schedule A-1 and as set forth in the Schedule (the "Equipment") to Lessee, and Lessee has agreed to lease and purchase the Equipment from Lessor, in the manner and on the terms set forth in the Lease.

1.02 As referenced above, "Lease" means, collectively, the Lease Schedule identified above and the Master Lease-Purchase Agreement identified in said Lease Schedule (to the extent that it relates to said Lease Schedule) together with all exhibits, schedules, addenda, riders and attachments thereto. "Closing" means the date on which the Lessee executes and delivers this Agreement, and the Lender makes the Advance (as defined in Section 1.03) to the Lessee under the term of this Agreement.

In the event of any conflict between the terms and provisions of this Agreement, those of the Lease, any schedule or exhibit attached to the Agreement, or any other agreement among the Parties, the terms and conditions of this Agreement shall control.

**Amendment of Section 5.3(g) of Master Lease-Purchase Agreement.** Section 5.3(g)(2) of the Master Lease shall be amended to include in the Lessee's counsel opinion an opinion that pertains to this Agreement insofar as this opinion applies to the Lease. Section 5.3(g)(5) of the Master Lease shall be amended to include in the Lessee's resolution a reference to this Agreement insofar as this resolution applies to the Lease.

1.03 **LESSOR'S ADVANCE: \$794,465.00**

In consideration of the Lease, and the Lessee's agreement to repay the moneys advanced hereunder and interest thereon, the Lessor hereby agrees to advance to the Lessee at Closing moneys in the aggregate amount of \$794,465.00 (the "Advance") to pay the costs of the Equipment. On the date of Closing, the Lessor shall, at the written direction of the Lessee, deposit \$794,465.00 in an account established with a depository bank at the County of Sacramento selected by the Lessee designated the "SMFD Development Impact Fee Fund" (the "Equipment Acquisition Fund") and such funds shall be applied solely in accordance with the provisions of this Agreement. The Equipment Acquisition Fund shall be governed by the terms and provisions set forth in Section 2 and Section 3 below. To the extent that the purchase price of the Equipment exceeds the Lessor's Advance, Lessee shall either notify Lessor of such excess amount and then deposit into the Equipment Acquisition Fund funds in such amount which will be credited to the Equipment Acquisition Fund and used to pay the balance of the purchase price of the Equipment, or Lessee shall pay such balance directly to the suppliers and vendors of the Equipment.

1.04 **FUNDING EXPIRATION DATE: December 28, 2024.** ("Funding Expiration Date"). Lessee and Lessor agree that all Equipment should be delivered and installed, and all funds disbursed from the Equipment Acquisition Fund, no later than the above Funding Expiration Date.

1.05 Under the Lease, Lessee will cause each item of Equipment to be ordered from the applicable suppliers and vendors. Lessee shall furnish to Lessor as soon as available, a copy of the purchase orders or purchase contracts for all Equipment ordered pursuant to the Lease, showing the supplier and vendor, the purchase price and the estimated delivery dates. The Lessee shall otherwise proceed with the acquisition and installation of the Equipment as contemplated by the Lease and this Agreement.

1.06 The Lessee agrees to receive, hold, invest and disburse the moneys deposited in the Equipment Acquisition Fund as expressly set forth in this Agreement. Any funds in the Equipment Acquisition Fund not needed to pay the purchase price of Equipment will be paid to Lessor or Lessee, all as hereinafter provided.

1.07 This Agreement is not intended to alter or change in any way the rights and obligations of Lessor and Lessee under the Lease, but is entirely supplemental thereto. The provisions of this Agreement may be waived, altered, amended or supplemented, in whole or in part, only by a writing signed by all Parties.

1.08 Each of the Parties hereto has authority to enter into this Agreement, and has taken all actions necessary to authorize the execution of this Agreement by its respective officers whose signatures are affixed hereto. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby irrevocably waived by the Lessor and Lessee to the fullest extent permitted by law, to the end that this Agreement shall be enforced as written.

## **SECTION 2. EQUIPMENT ACQUISITION FUND.**

2.01 The Lessee shall establish the Equipment Acquisition Fund on or prior to Closing. The Equipment Acquisition Fund shall constitute a restricted fund held at the County of Sacramento (California) in a depository bank. The Lessee shall keep such funds deposited into the Equipment Acquisition Fund separate and apart from all other funds and money held by it, and shall administer such funds as provided in this Agreement. Lessee's rights and responsibilities under this Agreement, other than establishment of the Equipment Acquisition Fund, shall begin on the date of Closing.

2.02 The Lessor's Advance and any funds deposited by Lessor under Section 1.03 hereof shall be credited to the Equipment Acquisition Fund on the date of the Closing and shall be used by the Lessee to pay the balance of the purchase price of each item of Equipment subject to the Lease in accordance with the terms and provisions hereof. The moneys held in the Equipment Acquisition Fund shall be used by the Lessee to pay the costs of the Equipment upon written notice by the Lessee to the Lessor in the form of a written receipt certificate/payment request prepared by the Lessee and signed by the Lessee's Authorized Representative (as defined in Section 6) and countersigned by the Lessor's Authorized Representative (as defined in Section 6), substantially in the form set forth in **Exhibit A** attached hereto (the "Receipt Certificate/Payment Request"), together with such invoices, bills of sale, cancelled checks or other documents or items of evidence as the Lessor may require to determine the appropriateness of such requisition. Such funds shall be requisitioned from the Equipment Acquisition Fund during the period beginning on the date of the Closing and ending on the Funding Expiration Date. If the moneys held in the Equipment Acquisition Fund and any other moneys provided by the Lessee are insufficient to pay all of the costs of the Equipment, the Lessee shall provide any balance of the funds needed to complete the acquisition and installation of the Equipment. The Lessee shall pay to the suppliers and vendors of the Equipment the payment amounts then due and payable with respect thereto as set forth in the Receipt Certificate/Payment Request, and after the Lessee has satisfied any applicable security procedures with respect thereto as required by Section 6. The Receipt Certificate/Payment Request will specify the supplier/beneficiary, its address or wire instructions and the applicable portion of the Equipment Acquisition Fund to be paid. As between Lessee and Lessor, Lessee agrees that it will submit to Lessor for Lessor's signature a Receipt Certificate/Payment Request that has been executed by Lessee together with (a) the suppliers' invoices specifying the applicable portion of the purchase price of the items of Equipment described in said Receipt Certificate/Payment Request, (b) if the item of Equipment is a titled vehicle, a copy of the Manufacturer's Statement of Origin (MSO) covering such item showing Lessor as first and sole lienholder, and (c) any other documents required by the Lease, and Lessee agrees that Lessor shall not be obligated to execute any such Receipt Certificate/Payment Request until all of the foregoing have been submitted to Lessor.

2.03 If an Authorized Representative of the Lessor delivers to the Lessee written notice of the occurrence of an event of default under the Lease or of a termination of the Lease due to a non-appropriation event or non-renewal event under the Lease, then the Lessee shall promptly remit to Lessor the remaining balance of the Equipment Acquisition Fund. After its receipt of a notice of an event of default under the Lease or of a termination of the Lease due to a non-appropriation event under the Lease, the Lessee shall not act to effect or permit any distribution or release of any part of the Equipment Acquisition Fund to acquire Equipment or for any other purpose without written authorization from an Authorized Representative of the Lessor.

2.04 Upon the Lessee's receipt of a Full Funding Notice (as defined below), the Lessee shall apply the balance remaining in the Equipment Acquisition Fund to Lessor to be applied by Lessor for benefit of Lessee either: (a) toward the principal and interest

portion of the Rent Payment next coming due under the Lease; or (b) to reimburse the Lessee for the interest portion of their Rental Payments previously made within the past 18 months; or (c) toward a partial prepayment of the principal amount remaining due under the Lease and thereupon Lessor shall prepare and deliver to Lessee a revised Payment Schedule reflecting such partial prepayment of principal.

"Full Funding Notice" means written notification by an Authorized Representative of the Lessor to the Lessee of the Lessor's receipt of the Final Receipt Certificate/Payment Request which confirms that all Equipment covered by the Lease has been delivered to and accepted by Lessee under the Lease and that the full amount of the Lessor's Advance has been paid to the applicable suppliers and vendors.

2.05 Upon the Funding Expiration Date stated in Section 1.04 above, the Lessee shall apply the remaining balance in the Equipment Acquisition Fund to Lessor to be applied by Lessor for benefit of Lessee either: (a) toward the principal portion of the Rent Payment next coming due under the Lease; or (b) to reimburse the Lessee for the interest portion of their Rental Payments previously made within the past 18 months; or (c) toward a partial prepayment of the principal amount remaining due under the Lease and thereupon Lessor shall prepare and deliver to Lessee a revised Payment Schedule reflecting such partial prepayment of principal.

Upon the Funding Expiration Date stated in Section 1.04 above, the Lessee shall apply the investment earnings in the Equipment Acquisition Fund as set forth in this Section 2.05 .

2.06 Any partial prepayment effected pursuant to Section 2.04(c) or Section 2.05(c) hereof may effected notwithstanding anything stated to the contrary in the Lease (including, without limitation, Section 15 of the Master Lease as it relates to the Schedule). In addition, any such partial prepayment effected hereunder shall be effected independent of the terms and provisions for any prepayment in whole of the remaining principal balance under the Lease as provided for in any Prepayment Schedule Addendum that applies to the Schedule.

2.07 The Lessor shall not be responsible for the sufficiency of the moneys credited to the Equipment Acquisition Fund to make the payments herein required.

2.08 This Agreement shall terminate upon disbursement by the Lessee of all money held by it hereunder, subject to the provisions of Section 2.03, Section 2.04 and Section 2.05.

### **SECTION 3. MONEY IN EQUIPMENT ACQUISITIONS FUND; INVESTMENT.**

3.01 The money and investments held by the Lessee under this Agreement are irrevocably held in escrow for the benefit of Lessee and Lessor, and such money, together with any income or interest earned thereon, shall be expended only as provided in this Agreement, and shall not be subject to any security interest or lien, by or for the benefit of any creditor of either Lessee or Lessor; provided, that the money and investments held under this Agreement shall be subject to the security interests provided in Sections 3.07 hereof .

3.02 Money held in the Equipment Acquisition Fund shall be invested and reinvested by the Lessee in Qualified Investments (as defined below). Such investments shall be registered in the name of the Lessee and held by the Lessee. The Lessee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. Such investments and reinvestments shall be made giving consideration for the time at which funds are required to be available under the terms of this Agreement. No investment instruction shall be given that would cause the Agreement or the Lease to be deemed an "arbitrage bond" within the meaning of Section 148(a) of the Internal Revenue Code of 1986, as amended.

3.03 All investments made pursuant to this section shall be for the account and risk of Lessee and any losses associated with investments shall be borne solely by Lessee. Lessee shall from time to time invest and reinvest the funds held in the Equipment Acquisition Fund in any one or more of the following investments to the extent that such investments are permitted investments for the Lessee under applicable Federal, state and local laws, regulations and ordinances governing investment of funds, including the investment of funds held in a restricted fund at the County of Sacramento (California) in a depository bank (hereinafter, "Qualified Investments"): (a) obligations of the United States of America or any agency created thereby; (b) general obligations of any State of the United States of America; (c) general obligations of any political subdivision of a State of the United States of America, if such obligations are rated by at least two recognized rating services as at least AA; (d) certificates of deposit of any national bank or banks insured by the Federal Deposit Insurance Corporation (FDIC) with a net worth in excess of \$100,000,000.00 ("Acceptable Bank"); (e) obligations of State or Municipal Public Housing Authorities chartered by the United States of America and guaranteed by the United States of America; (f) demand interest bearing accounts of an Acceptable Bank; (g) money market funds whose assets are solely invested in obligations listed in (a) through (f) above, including repurchase agreements secured by such obligations and which money market funds are rated in either of the two highest categories of any rating agency of national recognition at the time of purchase; and (h) any other obligations approved in writing by Lessor.

3.04 If any of the above-described Qualified Investments are not legal investments of Lessee or cease to be Qualified Investments, then an Authorized Representative of the Lessee shall immediately notify Lessor which of said Qualified Investments are not legal investments of Lessee or Qualified Investments, as the case may be, and shall invest funds in accordance with Section 3.03 in investments that do constitute legal investments. It is the sole responsibility of the Lessee to ascertain that all investments comply with all applicable federal, state, and local laws, statutes, and policies. The Lessor shall have no duty or obligation to monitor or inquire as to whether any Qualified Investments are legal investments of Lessee or continue to meet the requirements of a Qualified Investment nor have any liability in connection therewith.

3.05 The Lessee shall, without further direction, sell such investments as and when required to make any payment from the Equipment Acquisition Fund, as contemplated herein. Any income received on such investments shall be credited to the Equipment Acquisition Fund.

3.06 Upon Lessor's request, the Lessee shall furnish a statement listing all investments to Lessor. The Lessor shall not be responsible or liable for any loss, fees or expenses suffered in connection with any investments of moneys made by it in accordance with this Section. Market values, exchange rates and other valuation information (including without limitation, market value, current value or notional value) of any Qualified Investment furnished in any report or statement may be obtained from third party sources and is furnished for the exclusive use of the Parties. The Lessor has no responsibility whatsoever to determine the market or other value of any Qualified Investment and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of a Qualified Investment. The Lessor shall not act, or deemed to act, as an investment manager or adviser to the Lessee.

3.07 Lessee hereby grants Lessor a security interest in the money and investments held by the Lessee under this Agreement as collateral security for the payment and performance of all of Lessee's obligations under the Lease, this Agreement and any agreement, contract or instrument related to the Lease or this Agreement. Lessee represents and warrants to Lessor that the money and investments held by the Lessee under this Agreement are free and clear of any liens, security interests or encumbrances other than the security interests created under this Agreement. Lessee hereby acknowledges that it holds the money and investments held by the Lessee under this Agreement subject to such security interest created by Lessee as bailee for Lessor.

#### **SECTION 4. AUTHORITY TO ACT.**

4.01 The Parties may: act in reliance upon any writing, notice, certificate, instruction, instrument or signature which it, in good faith, believes to be genuine and to have been signed by an Authorized Representative of the applicable opposite Party; assume the validity and accuracy of any statement or assertion contained in such a writing, notice, certificate, instruction or instrument; and assume that any person purporting to give any such writing, notice, certificate, instruction or instrument in connection with the provisions hereof has been duly authorized to do so.

4.02 Lessee may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents.

#### **SECTION 5. ADMINISTRATIVE PROVISIONS.**

5.01 The Lessee shall keep complete and accurate records of all money received and disbursed under this Agreement, which shall be available for inspection by Lessor, or the Lessor's agent, upon reasonable notice, at any time during regular business hours.

5.02 This Agreement shall be construed and governed in accordance with the laws of the State where Lessee is located. Each Party irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State where the Lessee is located. To the extent that in any jurisdiction either Party may now or hereafter be entitled to claim for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, such Party shall not claim, and hereby irrevocably waives, such immunity.

5.03 Each Party represents, warrants and covenants that each document, notice, instruction or request provided by such Party to its opposite Party hereunder shall comply with applicable laws and regulations. Any provision of this Agreement found to be prohibited by law shall be ineffective only to the extent of such prohibition, and shall not invalidate the remainder of this Agreement.

5.04 This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Specifically, the term "Lessor" as used herein means any person or entity to whom Lessor has assigned its right to receive Rent Payments under the Lease and any other payments due to Lessor hereunder from and after the date when a written notice of such assignment is filed with the Lessee; provided, however, neither this Agreement nor any right or interest hereunder may be assigned by the Lessor or the Lessee without the prior consent of the other Party; unless the assignment is to JPMorgan Chase & Co. or any of its affiliates or subsidiaries, then consent will not be required.

5.05 This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Agreement. Nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Parties any legal or equitable right, remedy, interest or claim under or in respect of the Equipment Acquisition Fund or this Agreement.

5.06 All signatures of the Parties to this Agreement may be transmitted by a Portable Document Format ("PDF"), and PDF will, for all purposes, be deemed to be the original signature of such Party whose signature it reproduces, and will be binding upon such Party.

#### SECTION 6. SECURITY PROCEDURES.

In the event funds transfer instructions are given (whether in writing or by PDF), executed by the appropriate Party as evidenced by the signatures of the person or persons signing this Agreement or one of their designated persons as set forth in Schedule 1 (each an "Authorized Representative"), and delivered to the opposite Party in accordance with Section 8.02, the undersigned is authorized to certify that the signatories on Schedule 1 are specimen signatures of each of their respective Authorized Representatives. Each Party and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Lessee or Lessor to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Lessee may apply any of the escrowed funds for any payment order it executes using any such identifying number, even where its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The Lessor and Lessee acknowledge that these security procedures are commercially reasonable.

#### SECTION 7. FEES.

Neither Party shall be entitled to the payment of any fees in connection with the actions of such Party undertaken pursuant to the terms and provisions of this Agreement.

#### SECTION 8. NOTICES.

8.01 Notwithstanding anything to the contrary as set forth in Section 8.02, any notices and demands under or related to this document shall be in writing and delivered to the intended Party at its address stated herein. Subject to Section 8.02, notice shall be deemed sufficiently given or made (a) upon receipt if delivered by hand, (b) on the Delivery Day after the day of deposit with a nationally recognized courier service, (c) on the third Delivery Day after the day of deposit in the United States mail, sent certified, postage prepaid with return receipt requested, (d) only if to Lessee, on the third Delivery Day after the notice is deposited in the United States mail, postage prepaid, and (e) upon receipt if delivered by facsimile, telecopy, electronic mail (with an attachment in PDF or similar format) and electronic confirmation of error free receipt is received. "Delivery Day" means a day other than a Saturday, a Sunday, or any other day on which national banking associations and banks in the City of New York are authorized to be closed. Any Party may change its address for the purposes of the receipt of notices and demands by giving notice of such change in the manner provided in this provision.

8.02 Any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of funds, including but not limited to any such funds transfer instructions that may otherwise be set forth in a written instruction permitted pursuant to Section 1 of this Agreement, shall be given to a Party by the opposite Party in writing, be executed by an Authorized Representative and sent as a PDF attached to an email only. No instruction for or related to the transfer or distribution of the Equipment Acquisition Fund shall be deemed delivered and effective unless Lessor or Lessee, as the case may be, actually shall have received it on a Delivery Day as a PDF attached to an email only at the email address set forth in this Section 8.02 and as evidenced by a confirmed transmittal to the Party's or Parties email address and the Lessor or Lessee, as the case may be, has been able to satisfy any applicable security procedures as may be required hereunder. The Lessor or Lessee, as the case may be, shall not be liable to any Party or other person for refraining from acting upon any instruction for or related to the transfer or distribution of the Equipment Acquisition Fund if delivered to any other fax number or email address, including but not limited to a valid email address of any employee of the Lessor or Lessee, as the case may be. The Lessor and Lessee acknowledge that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the internet and the Parties hereby expressly assume such risks.

Notices shall be addressed as follows:

- (i) If to the Lessee:  
LESSEE NAME: SACRAMENTO METROPOLITAN FIRE DISTRICT  
LESSEE ADDRESS: 10454 ARMSTRONG AVENUE, MATHER, CA 95655  
Attn: MARIE JONES



Telephone: 916-859-4386  
Email: Jones.marie.metrofire.ca.gov

- (ii) If to the Lessor:  
JPMORGAN CHASE BANK, N.A.  
1111 POLARIS PARKWAY, SUITE 4N  
MAIL CODE OH1-1085  
COLUMBUS, OHIO 43240  
Attention: GHHN Operations Manager  
Email: [cefi.escrow.disbursement.request@jpmchase.com](mailto:cefi.escrow.disbursement.request@jpmchase.com)

#### SECTION 9. FORCE MAJEURE.

Notwithstanding any other provision of this Agreement, no Party to this Agreement is liable to any other Party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of acts of God, war, terrorism, fire, floods, strikes, electrical outages, equipment or transmission failures, pandemics, epidemics, or other causes reasonably beyond its control.

#### SECTION 10. JURY WAIVER.

ALL PARTIES TO THIS AGREEMENT WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTER CLAIM BROUGHT BY ANY PARTY AGAINST ANOTHER PARTY ON ANY MATTER WHATSOEVER ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS AGREEMENT.

#### SECTION 11. MISCELLANEOUS.

11.01 **Patriot Act Section 326 Customer Identification Program.** In order to comply with the laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, without limitation, those relating to the funding of terrorist activities and money laundering, including Section 326 of the USA PATRIOT Act of the United States ("Applicable Law"), the Lessor is required to obtain, verify, record and update certain information relating to individuals and entities which maintain a business relationship with the Lessor. Accordingly, the Lessee agrees to provide to the Lessor, upon their request from time to time such identifying information and documentation as may be available for such party in order to enable the Lessor to comply with Applicable Law.

11.02 **Taxpayer Identification Numbers ("TINs").** Each Party has provided the opposite Party with their respective fully executed Internal Revenue Service ("IRS") Form W-8, or W-9 and/or other required documentation. Each Party represents that its correct TIN assigned by the IRS, or any other taxing authority, is set forth in the delivered forms.

11.03 **Tax Reporting.** All interest or other income earned under the Agreement shall be allocated to the Lessee and reported to the IRS, or any other taxing authority, on IRS Form 1099 or 1042S (or other appropriate form) as income earned from the Equipment Acquisition Fund by the Lessee whether or not said income has been distributed during such year. The Lessee hereby represents to the Lessor that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement. The Lessee shall withhold any taxes it deems appropriate, including but not limited to required withholding, in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities.

(The next page is the signature page)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first referenced above.

SACRAMENTO METROPOLITAN FIRE DISTRICT  
(Lessee)

JPMORGAN CHASE BANK, N.A.  
(Lessor)

By: \_\_\_\_\_  By: \_\_\_\_\_  
Name: \_\_\_\_\_  Name: \_\_\_\_\_  
Title: \_\_\_\_\_  Title: Authorized Officer

Attachments: Schedule 1 (Investment Authorization)(Name/telephone # of call-back person(s) designated by Section 7 above)

**SCHEDULE 1**

Telephone Number(s) and Signature(s) for Person(s) Designated to Give Funds Transfer Instructions

If from Lessee:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. _____	—	_____
2. _____	—	_____
3. _____	—	_____

Email(s) and Signature(s) for Person(s) Designated to Receive Notices

<u>Name</u>	<u>Email</u>	<u>Signature</u>
1. _____	_____	_____
2. _____	_____	_____

If from Lessor:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. Karen L Williams	312-385-7005	(Standing Signature on File)
2. Anastasia L. McClellan	614-213-4876	(Standing Signature on File)
3. Kris Hewitt	614-213-8581	(Standing Signature on File)
4. Meron Gola	614-217-4670	(Standing Signature on File)
5. Teri L. Fancelli	614-213-2270	(Standing Signature on File)
6. Lourdes Roman	312-732-6444	(Standing Signature on File)
7. Kerry Stygler	614-213-4400	(Standing Signature on File)
8. Rita Lyle	312-954-3763	(Standing Signature on File)
9. Edgar Lopez	312-954-0046	(Standing Signature on File)
10. James Polpiboon	312-732-3788	(Standing Signature on File)

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative authorizing said funds transfer on behalf of the Party.

**SCHEDULE A-1**  
**(Equipment List)**

**Expected Equipment Purchase Price:** \$ 794,465.00

**Net Amount Financed:** \$ 794,465.00

**Equipment Location:** Various locations around the City of Sacramento

**Equipment Description:** Vehicles and other Essential Equipment

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS, PARTS, REPAIRS, IMPROVEMENTS,  
REPLACEMENTS AND SUBSTITUTIONS THERETO.

This Schedule A-1 is attached to the Lease Schedule 1000149636 or a Receipt Certificate/Payment Request relating to the Lease Schedule.

EXHIBIT A

EQUIPMENT ACQUISITION FUND  
RECEIPT CERTIFICATE/PAYMENT REQUEST

Dated: \_\_\_\_\_

Lease Schedule No: 1000149636 dated JUNE 28, 2023

Equipment Fund Agreement Dated: JUNE 28, 2023

1. The undersigned Lessee of the above Lease Schedule and its Master Lease-Purchase Agreement (collectively, the "Lease") hereby acknowledges receipt in good condition of all of the Equipment described on Schedule A-1 to this Receipt Certificate/Payment Request as of the following Acceptance Date and hereby confirms that the Equipment has been installed at the following location:

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

Equipment Location: See Attached Schedule A-1

\*\*\*\*\* **FINAL REQUEST: Yes OR No** (Please Circle Choice) \*\*\*\*\*

If this is the **FINAL REQUEST** Lessee hereby confirms that said Equipment together with all other property covered by Receipt Certificates delivered prior to this Receipt Certificate represents all of the Equipment to be subject to the Lease.

- 2. Lessee agrees that (a) the undersigned Lessor has not selected, manufactured, sold or supplied any of the Equipment, (b) Lessee has selected all of the Equipment and its suppliers and vendors, and (c) Lessee has received a copy of, and approved, the purchase orders or purchase contracts for the Equipment.
- 3. **AS BETWEEN LESSEE AND LESSOR, LESSEE AGREES THAT: (a) LESSEE HAS RECEIVED, INSPECTED AND APPROVED ALL OF THE EQUIPMENT; (b) ALL EQUIPMENT IS IN GOOD WORKING ORDER AND COMPLIES WITH ALL PURCHASE ORDERS OR CONTRACTS AND ALL APPLICABLE SPECIFICATIONS; (c) LESSEE IRREVOCABLY ACCEPTS ALL EQUIPMENT FOR PURPOSES OF THE LEASE "AS-IS, WHERE-IS" WITH ALL FAULTS; AND (d) LESSEE UNCONDITIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO REVOKE ITS ACCEPTANCE OF THE EQUIPMENT.**
- 4. Lessee and Lessor hereby request that the Lessee initiate payment from the Equipment Acquisition Fund established under the Equipment Acquisition Fund Agreement to each party designated below as Payee, the amount stated below in payment of all or part of the Equipment as stated below. Lessee hereby confirms that said amount is due and payable under a purchase order or contract relating to the Equipment described herein and has not formed the basis of any prior request for payment.

Payee #1:

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

Address: \_\_\_\_\_

Invoice Number: \_\_\_\_\_ Date: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

**WIRE INSTRUCTIONS:**

Name of Bank: \_\_\_\_\_

ABA No: \_\_\_\_\_

Account Number: \_\_\_\_\_

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

**Payee #2:**

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

Address: \_\_\_\_\_

Invoice Number: \_\_\_\_\_ Date: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

**WIRE INSTRUCTIONS:**

Name of Bank: \_\_\_\_\_

ABA No: \_\_\_\_\_

Account Number: \_\_\_\_\_

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

**Payee #3:**

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

Address: \_\_\_\_\_

Invoice Number: \_\_\_\_\_ Date: \_\_\_\_\_

Amount: \$ \_\_\_\_\_

**WIRE INSTRUCTIONS:**

Name of Bank: \_\_\_\_\_

ABA No: \_\_\_\_\_

Account Number: \_\_\_\_\_

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

5. If this is a Final Request, then this Receipt Certificate/Payment Request shall constitute a Full Funding Notice under the terms of the Equipment Acquisition Fund Agreement and, if any funds remain in the Equipment Acquisition Fund established pursuant to the Equipment Acquisition Fund Agreement (including any earnings thereon; collectively referred to as the "Fund Account Balance"), then Lessee hereby agrees to direct any Fund Account Balance to be applied to Lessor and Lessor is hereby authorized to apply the Fund Account Balance to the benefit of the Lessee either: (a) toward the principal and interest portion of the Rent Payment next coming due under the Lease; or (b) to reimburse the Lessee for the interest portion of their Rental Payments previously made within the past 18 months; or (c) toward a partial prepayment of the principal amount remaining due under the Lease and thereupon Lessor shall prepare and deliver to Lessee a revised Payment Schedule reflecting such partial prepayment of principal.

6. Lessee will confirm wire instructions by telephone (if required by Lessor) by designating an Authorized Contact ("Contact") for Lessee below. This Contact must be someone who has the requisite knowledge to verify the instructions outlined above AND must be someone other than the authorized signer hereto. Lessee should consider designating more than one Contact to avoid funding delays.

SACRAMENTO METROPOLITAN FIRE DISTRICT  
(Lessee)

JPMORGAN CHASE BANK, N.A.  
(Lessor)

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

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

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

Title: Authorized Officer

**SCHEDULE A-1**  
Equipment Description

(This Schedule A-1 is attached to a Receipt Certificate/Payment Request relating to the Lease Schedule.)

Lease Schedule No: 1000149636 dated JUNE 28, 2023

The Equipment described below includes all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

Equipment Location: \_\_\_\_\_

\_\_\_\_\_

Equipment Description: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_