



**SAN BENITO COUNTY
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
District No. 1
Vice-Chair

Kollin Kosmicki
District No. 2
Chair

Mindy Sotelo
District No. 3

Angela Curro
District No. 4

Ignacio Velazquez
District No. 5

Item Number: 1.A

MEETING DATE: 03/20/2025

DEPARTMENT: COUNTY ADMINISTRATION OFFICE

AGENDA ITEM PREPARER: Vanessa Delgado

DEPT HEAD/DIRECTOR: Henie Ring

SUBJECT:

COUNTY ADMINISTRATION OFFICE - H. RING, INTERIM COUNTY ADMINISTRATIVE OFFICER

Consider approval of Amendment #1 to the Fire Protection Services Agreement with the City of Hollister and provide staff direction if desired.

SBC FILE NUMBER: 119

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

The City of Hollister has been providing fire protection services to the County of San Benito since 2013. The current contract runs from January 1, 2019, through December 31, 2025. On June 20, 2024, the City of Hollister issued a written letter advising of a 270-day termination clause. On January 7, 2025 the City of Hollister Council created an ad-hoc committee and on January 14, 2025, the County Board of Supervisor's created an ad-hoc committee that collaborated together on finding solutions to the current fire protection services contract. On February 3, 2025, the city issued a letter eliminating the 270-day termination clause.

On Tuesday, March 18, 2025, County Administration presented the details of the amendments of the existing contract for fire protection services based on the recommendations of the City's and the County's ad hoc. The Board approved the contract to be reviewed by County Counsel and return to the Board for final approval.

The proposed amendments are below:

- Payment Schedule Change – The contract’s payment schedule will now follow a Fiscal Year model (July 1 – June 30) instead of a Calendar Year model.
- Contract Amount Increase – The annual rate for fire services will increase by \$1,100,000 for Fiscal Year 2024-25, bringing the total to \$3,376,329.
- Annual Escalation – Starting in Fiscal Year 2025-26, the contract rate will increase annually by 3% based on the previous year’s rate.
- Updated Contract Amounts – The contract amounts listed in the agreement’s payment schedule are amended to reflect these changes.
- Fire Equipment Lease Payments – Out of the \$1,100,000 annual rate increase, \$214,173 will be allocated for lease payments on three fire vehicles (2019 Type 1 Fire Engine, 2019 Type 3 Fire Engine, and 2019 Water Tender). The lease term runs from February 25, 2022, to February 25, 2031, after which the COUNTY will purchase each piece of equipment for \$1.00. The COUNTY is responsible for all remaining lease payments. If the COUNTY fails to pay, the CONTRACTOR may take legal action.
- Fire Impact Fee Study Reimbursement – The COUNTY will reimburse the CONTRACTOR up to \$400,000 for eligible fire-related expenses incurred between January 1, 2019, and February 28, 2025. This includes costs for fire protection services, equipment, training, and related expenses. Any equipment reimbursed under this provision will be transferred to COUNTY ownership and operated by the CONTRACTOR. The reimbursement must occur on or before June 30, 2025.
- Ambulatory Expense Reimbursement & Dispatch Protocols –
 - The COUNTY will reimburse the CONTRACTOR for SCR911 County ambulatory expenses charged since January 1, 2019, within 90 days of the amendment's effective date.
 - The COUNTY and CONTRACTOR will collaborate with the Santa Cruz County Regional 9-1-1 Dispatch Center to develop protocols to prioritize emergency service calls more effectively, aiming to reduce unnecessary public service calls, false alarms, and inefficient resource dispatching.
 - Service levels within Hollister and San Juan Bautista will exceed those provided to unincorporated areas of San Benito County.
- Quarterly Billing for Development Review & Inspections
 - CONTRACTOR will bill COUNTY quarterly for time spent on development review and inspections according to the CONTRACTOR’s current fee schedule.
 - COUNTY must pay within 30 days of receiving each invoice.
 - CONTRACTOR must provide detailed documentation of services performed, including staff time, dates, and descriptions of work.
- Contract Term Extension
 - The agreement’s duration is amended to extend from January 1, 2019, to June 30, 2028.
- Proposed Staffing and Training Levels
 - The COUNTY designated engine (“Station 3”) shall provide no less than a two (2) person response to all incidents. Staffing levels within the City of Hollister and/or any other applicable jurisdiction(s), unless otherwise contracted, shall be determined in the sole discretion of CONTRACTOR.
 - CONTRACTOR, in its sole discretion, may implement a “Brown Out” of Station 3. For

purposes of this Agreement, a “Brown Out” means the temporary closure or reduction in operational status of a fire station, where CONTRACTOR may reassign personnel from Station 3 to other stations to maintain appropriate staffing levels throughout the service area, or CONTRACTOR may decide not to staff Station 3 for a period of time due to personnel shortages, equipment maintenance, budgetary constraints, or other operational needs. During a Brown Out period, emergency response to the affected area will be provided by the next closest available resources. The implementation of a Brown Out shall not constitute a breach of this Agreement, nor shall it result in any reduction of compensation paid by COUNTY to CONTRACTOR under the terms of this Agreement.

- Response Time Provisions
 - During any implemented Brown Out of Station 3, the standard response time goals established in this Agreement shall be suspended. CONTRACTOR shall dispatch the closest available resources to incidents within the COUNTY service area during Brown - 3 Out periods, but shall not be bound by the response time metrics specified elsewhere in this Agreement. All response time data collected during Brown Out periods shall be excluded from any performance evaluations, metrics, or reports related to CONTRACTOR'S compliance with response time goals. COUNTY acknowledges and agrees that response times during Brown Out periods are contingent upon resource availability, distance from responding units, weather conditions, traffic, call volume, and other factors beyond CONTRACTOR'S control. Any delay in response times during Brown Out periods shall not constitute a breach of this Agreement nor serve as grounds for compensation reduction, penalties, or termination. CONTRACTOR shall have sole discretion in determining the allocation of available resources to meet service demands throughout its entire operational area, including COUNTY.
- Termination Provisions
 - Notwithstanding any other provisions in this Agreement, CONTRACTOR shall have the right to terminate this Agreement if COUNTY fails to make any payment required under this Agreement within sixty (60) days after such payment is due. Prior to such termination, CONTRACTOR shall provide COUNTY with written notice of the payment default and COUNTY shall have thirty (30) days from receipt of such notice to cure the default by making the required payment. If COUNTY fails to cure the default within the thirty (30) day period, CONTRACTOR may terminate this Agreement by providing COUNTY with written notice of termination, which shall be effective ninety (90) days after COUNTY'S receipt of such notice.
 - Except as provided above regarding COUNTY'S failure to pay, neither party shall have the right to terminate this Agreement prior to its expiration date as set forth in Section 1 of this Agreement, as amended.
 - 2. Inconsistency; Conflicts. In the event of any conflict between the provisions of this Amendment and the original Agreement, the provisions of this Amendment shall control.
 - 3. Agreement Continuance. Except as expressly modified and supplemented by this Amendment, all other terms and conditions in the original Agreement remain in full force and effect and continue to bind the parties.
 - 4. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Digital signatures comporting with the requirements of Government Code section 16.5 shall have the same force and effect as an original “wet” signature.

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

No

CONTRACT NEEDED FOR THIS ITEM:

N/A

RFP AND BID HISTORY:

N/A

LAST CONTRACT AMOUNT OR N/A:

N/A

CONTRACT HISTORY (Describe all amendments and previous contracts):

N/A

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

Yes

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

Yes

STRATEGIC PLAN GOALS: 3. Technology

No

STRATEGIC PLAN GOALS: 4. Community Engagement

No

STRATEGIC PLAN GOALS: 5. Health & Safe Community

Yes

BUDGETED:

N/A

BUDGET ADJUSTMENT NEEDED:

N/A

SOURCE OF FUNDING:

General Fund

UNFUNDED MANDATE:

No

SBC BUDGET LINE ITEM NUMBER:

260.15.3040.1000.619.250

CURRENT FY COST:

\$3,376,329.00

STAFF RECOMMENDATION:

Consider approval of Amendment #1 to the Fire Protection Services Agreement with the City of Hollister and provide staff direction if desired.

ATTACHMENTS:

[Draft - Amendment No. 1 to San Benito County Fire Services Contract
Fire Services Agreement-2019](#)