

## SACRAMENTO METROPOLITAN FIRE DISTRICT

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### MEASURE O

#### SACRAMENTO METROPOLITAN FIRE DISTRICT FIRE/EMERGENCY MEDICAL RESPONSE

**MEASURE.** To maintain 911 fire/emergency medical response times, attract/retain qualified professional firefighters/paramedics, support local fire protection, and prevent firefighter exposure to cancer-causing air pollution by upgrading outdated/deteriorating lifesaving equipment, engines/stations, shall Sacramento Metropolitan Fire District's measure be adopted, authorizing \$415,000,000 in bonds at legal rates, levying approximately \$19/\$100,000 assessed value, generating approximately \$24,000,000 annually while bonds are outstanding, with annual audits, citizens' oversight and local control?

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### IMPARTIAL ANALYSIS OF MEASURE O

Prepared by County Counsel

The California Constitution and Health and Safety Code authorize special districts to issue bonds for specified purposes if approved by the voters within district boundaries. Measure O was placed on the ballot by the governing board of the Sacramento Metropolitan Fire District ("District"). If approved, Measure O would allow the District to incur bonded indebtedness up to a maximum amount of \$415,000,000. The proceeds from the issuance and sale of such general obligation bonds could only be used for the construction, expansion, reconstruction, rehabilitation, replacement, acquisition, lease, furnishing, and equipping of fire facilities, emergency medical vehicles, apparatus, and capital equipment of the District. Measure O lists the specific projects the District intends to finance by the proposed bond sales.

No funds derived from bond sales may be used for general operating expenses, including employee salaries or pensions, or any purpose or project other than those expressly stated in the measure.

To ensure that funds are spent only as specified in the measure, Measure O requires: 1) the appointment of a citizen's oversight committee; 2) deposit of bond proceeds into a separate account; 3) completion of annual independent performance and financial audits; and 4) submission of an annual status report to the Board of the District.

If Measure O is passed, the actual dates of sale and the amount of bonds sold would be governed by the District based on the need for construction funds and other factors. If Measure O is approved, the tax rates necessary for payment of principal and interest on any bonds sold will largely be dictated by the timing of the bond sales, the amount sold at a given sale, market interest rates at the time of each sale (although in no event greater than the maximum bond interest rate allowed by law), as well as actual assessed valuation of taxable property in the District over the term of repayment. The District's Tax Rate Statement contains the best estimates of tax rates required to service the bond debt. The District estimates the average annual tax rate levy to fund this bond is \$19.00 per \$100,000 of assessed valuation. The final fiscal year in which the tax is anticipated to be collected is 2060-61. The District estimates that the total amount repayable during the life of the bond, including principal and interest, is approximately \$890,000,000.

Passage of Measure O requires approval by two-thirds of the voters voting thereon UNLESS Proposition 5 – Assembly Constitutional Amendment No. 1 ("ACA1") is approved on the same election date. If ACA1 is approved, then approval of Measure O by 55% of the voters voting thereon is required.

A “YES” vote on Measure O means you wish to allow the District to issue bonds in an amount not to exceed \$415 million dollars.

A “NO” vote on Measure O means you do not wish to allow the District to issue the proposed bonds.

**\*\*\*YOU CAN FIND THE MEASURE ARGUMENTS FOLLOWING THE FULL TEXT OF THIS MEASURE\*\*\***

### **FULL TEXT**

SACRAMENTO METROPOLITAN FIRE DISTRICT FIRE/EMERGENCY MEDICAL RESPONSE MEASURE. To maintain 911 fire/emergency medical response times, attract/retain qualified professional firefighters/paramedics, support local fire protection, and prevent firefighter exposure to cancer-causing air pollution by upgrading outdated/deteriorating lifesaving equipment, engines/stations, shall Sacramento Metropolitan Fire District’s measure be adopted, authorizing \$415,000,000 in bonds at legal rates, levying approximately \$19/\$100,000 assessed value, generating approximately \$24,000,000 annually while bonds are outstanding, with annual audits, citizens’ oversight and local control?

### **Findings**

- The District serves a population of over 720,000 who all depend on the District to lend a helping hand in a crisis.
- From medical emergencies, local fire protection, natural disasters, devastating wildfires, or general fire-related neighborhood services, the District answers calls from community members in need 24 hours a day, seven days a week.
- The District actively analyzes and plans for how to best provide service and coverage to the communities it serves and how the condition of its facilities and vehicles impacts those services.
- The District’s planning process identified an extensive list of life saving equipment upgrades, fire station improvements, and fire engine and vehicles replacements necessary to continue to provide rapid 911 response.
- More than 70 percent of 911 calls received are for medical emergencies, such as heart attacks, strokes and car accidents where seconds matter in these life-threatening situations; yet the current state of facilities and equipment, the number of overlapping calls, and station locations place a worsening strain on emergency response times.
- The scope and scale of the needs identified in its Capital Improvement Program far exceed the District’s current operating budget even as the District sets aside funding each year for capital improvements.
- By law all funds from the proposed bond measure are required to be spent only for the construction, expansion, acquisition, upgrade, and modernization of fire stations, facilities, vehicles, equipment, and real property in communities served by the District and none of the funds may be spent on salaries, benefits, pensions or other purposes.

- All bond measure proceeds are legally required to stay local for the construction, expansion, acquisition, upgrade, and modernization of fire stations, facilities, vehicles, equipment, and real property in the communities served by the District, and none of the money may be seized by the State or other government agencies.

### **Object and Purpose of Bonds**

This measure (the “Measure”) authorizes the issuance of general obligation bonds (the “Bonds”), the object and purpose of which is to finance the Projects and certain costs in connection with the issuance of the Bonds.

The Projects will be completed as needed, and each is assumed to include its share of costs, including planning and construction costs. The final cost of each Project will be determined as real property is purchased, plans are finalized, construction bids are awarded, or projects are completed.

Proceeds of the Bonds may be used to reimburse the District for amounts advanced from the general fund or other funds or accounts to fund Projects when such purchases are made prior to the availability of Bond proceeds.

### **Required Approval**

The Measure shall be deemed approved if approved by at least 2/3 of the registered voters voting on the proposition; *provided, however*, that if Proposition 5 is approved by California voters on the same date that voters of the District are voting on the proposed Bond measure, such measure shall be deemed to be approved if approved by at least 55% of the registered voters voting on the proposition, consistent with the provisions of Proposition 5.

### **Estimated Cost of Projects**

The estimated cost of the portion of the costs of the Projects to be paid for from the Bonds is \$415,000,000. The estimated cost includes legal and other fees and the cost of printing the Bonds and other costs and expenses incidental to or connected with the authorization, issuance or sale of the Bonds. The cost of the Projects includes planning and construction costs.

### **Principal Amount of Bonds**

The aggregate principal amount of Bonds to be issued in or more series is not to exceed \$415,000,000.

### **Maximum Interest Rate**

The maximum rate of interest to be paid on the Bonds shall not exceed 12% per annum, the maximum rate permitted by applicable law.

### **Accountability Requirements**

The following accountability measures apply to the issuance of Bonds pursuant to this Measure:

- (a) The specific purpose of the Bonds is to finance the Projects;

(b) The proceeds from the sale of the Bonds will be used only for the purposes specified in this Measure, and not for any other purpose;

(c) The proceeds of the Bonds will be deposited into an account to be created and held by the District;

(d) The Fire Chief of the District shall file an annual report with the Board which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the Projects;

(e) All expenditures will be subject to oversight by an independent oversight committee, composed of individuals appointed by the Board, to confirm that Bond expenditures are consistent with the intent of this Measure; and

(f) All expenditures also will be subject to an annual independent financial audit to confirm that Bond expenditures are consistent with the intent of this Measure.

### **Identification of Tax; Use of Revenue**

The tax imposed by this Measure is an *ad valorem* tax levied upon taxable real property in the District. The tax will be used to pay the principal and interest on the Bonds.

### **Bond Project List**

This Bond Project List, describes the specific projects the District proposes to finance with proceeds of the bonds.

In order to meet all identified facility needs, the District intends to complete projects using a combination of funding sources, including contributions, development impact fees, medical aid and ambulance transport fees, District Capital Improvement Program budget allocations, and grant funding (if available). Approval of this measure does not guarantee that all projects on this Bond Project List will be funded beyond the local revenues generated by this measure.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, expansion, reconstruction, rehabilitation, replacement, furnishing, and equipping of fire facilities, the acquisition or lease of real property for fire facilities, and the acquisition or lease of fire and emergency medical vehicles, apparatus, and capital equipment, all as listed on the Bond Project List. Specific projects to be funded by the bond measure include, without limitation, the following:

#### **A. Fire Station Construction, Expansion, and Improvement Projects**

- Construct, expand, reconstruct, relocate, modernize, and/or improve fire stations, including:
  - New fire stations in Vineyard, North Highlands, and Rancho Cordova areas of the District
  - Expansion and/or relocation of existing fire stations in North Highlands, Rancho Cordova, Mather, Citrus Heights, Florin, and Carmichael, or other District stations that are found to be inadequate to serve the District's service population
- Acquire land, as needed, for the construction and/or relocation of fire stations;

- Remove or replace existing, inadequate fire station buildings as needed; and
- Perform infrastructure improvements and site-work related to fire station construction, expansion, reconstruction, relocation, and improvement projects.

**B. Training Facility Construction and Expansion Project**

- Continue the construction of the Zinfandel First Responder Training Facility in Rancho Cordova, including training classrooms, training structures and towers, vehicle operations training course, training offices, and other facilities and ground improvements needed for first responder training; and
- Perform infrastructure improvements and site-work related to training facility construction and improvement projects.

**C. Fire and Emergency Vehicles, Apparatus, and Equipment Acquisition and Replacement Projects**

- Acquire and/or replace life-saving fire and emergency medical vehicles, apparatus, and capital equipment.

For any project involving modernization or renovation of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction if the Board of Directors determines that replacement and new construction is economically more practical considering the building's age, condition and other relevant factors.

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs.

The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient facilities. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, expansion, renovation or remodeling, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects, but not for other administrator salaries.

## TAX RATE STATEMENT

An election will be held in the Sacramento Metropolitan Fire District (the "District") on November 5, 2024, to authorize the sale of up to \$415,000,000 in bonds of the District for the specific projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in two or more series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with sections 9400-9404 of the California Elections Code.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund that bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors is 19 cents per \$100 of assessed valuation (\$19 per \$100,000 of assessed valuation) of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2060-61.

2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund that bond issue, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors is 33 cents per \$100 of assessed valuation (\$33 per \$100,000 of assessed valuation) of all property to be taxed. The best estimate of the year in which the highest tax rate will apply is anticipated to be 2036-37.

3. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$890,000,000.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and are and will be in addition to tax rates levied in connection with other bond authorizations approved or to be approved by local voters for the District or for any other overlapping public agency.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on the Sacramento County's and the Placer County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the Sacramento County Assessor and the Placer County Assessor in the annual assessment and the equalization process.

Dated: July 25, 2024

s/ Adam A. House  
Fire Chief Sacramento Metropolitan Fire District

## **ARGUMENT IN FAVOR OF MEASURE O**

**Vote Yes on Measure O — maintain rapid 911 fire and emergency medical response times!**

Sac Metro Fire responds to 100,000+ emergencies every year — including fires, medical emergencies, and natural disasters — and that number is only increasing.

### **Increasing Emergency Call Volume Strains Resources and Affects Response Times**

In the last 10 years, calls have increased by 30% for medical emergencies and 40% for fire emergencies. Four out of 10 medical calls now have 20+ minute response times. Anytime a fire engine responds to a medical emergency, it's not available to respond to a fire.

### **Aging, Deteriorating Stations Pose Health Risks to Local Firefighters and Can't Support Call Volume**

Over half of Metro Fire's stations are 50+ years old. They're deteriorating, unsafe in earthquakes, too small for modern firefighting vehicles, and expose firefighters to cancer-causing indoor air pollution.

### **Seconds Can Be the Difference Between Life and Death**

According to the American Heart Association, brain deterioration starts 4-6 minutes after a person stops breathing. Likewise, every minute a fire doubles in size, exponentially increasing damage and destruction.

**That's why we need Measure O. It provides dedicated, locally controlled funding to keep our communities safe.**

### **Vote Yes on Measure O — Help Local Firefighters Help You**

- Maintain 911 fire and emergency medical response times
- Replace outdated and deteriorating lifesaving equipment and vehicles
- Prevent firefighter exposure to cancer-causing air pollution
- Attract and retain qualified professional firefighters and paramedics

### **Transparency and Fiscal Accountability Ensure Every Penny of Measure O Supports Local Fire and Emergency Medical Services**

- By law, all funds stay local in Metro Fire and cannot be taken by the State
- A detailed project list outlines the exact use of funds
- Citizens' oversight, public spending disclosure, and independent annual audits are all required

**We count on local firefighters to keep us safe. Now, they are counting on you to vote Yes on Measure O.**

s/ Keegan Smith  
Local High School Teacher and Veteran

s/ Brandon Doughty  
Local Firefighter-Paramedic and Rancho Murieta Resident

s/ Jessica Greenfield  
Local Small Businessowner and Arden-Arcade Resident

s/ David Weissenfluh  
Local Police Officer and Fair Oaks Resident

s/ Joe Pick  
Executive Director, Firefighters Burn Institute and Carmichael Resident

### **REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE O**

Everyone wants the best for our firefighters and first responders, and under normal circumstances a measure requiring a two third vote would not necessarily be challenged. However, due to special circumstances, this measure could be subject to a 55% voter approval, and therefore we must advise taxpayers to consider carefully before they vote. Voters can do this by demanding more information and accountability. Why can't new equipment and building improvements be made with the current annual budget? What cost cutting measures have been attempted before bringing this measure to the ballot? Are there other funding sources such as Federal and State funds? Have any lives been lost due to equipment failure or slow response time? How much equipment needs to be replaced, and can it be done on a consistent annual basis with the current budget? Facility improvements – what are the estimated costs for each location to be updated and modernized, and can it be part of the annual budget? If this bond measure passes it will be an addition to your current annual property taxes you pay each year. Be diligent and get answers before you vote.

s/ Nicholas Bloise  
Director of Operations  
Sacramento Taxpayers Association



## **ARGUMENT AGAINST MEASURE O**

**\$415 Million Dollar Bond that will cost you nearly a BILLION DOLLARS with interest and payments to big banks at a cost of \$19 per \$100,000 of assessed valuation.**

The main concern with this bond is the need to show facility improvements cannot be made from the general fund budget. Also, a list of specifically identified project improvements and their cost to the rate payers should be detailed.

Any registered voter can vote on local general obligation bonds but **ONLY PROPERTY OWNERS** pay them. However, renters can expect rent increases as the property taxes (that's how bonds are paid) increase.

Further, Proposition 5, on the statewide ballot makes it easier to raise taxes by eliminating the longstanding two-thirds vote of the electorate required to pass local bonds. If it passes, it will apply not just to future bonds, but any that are on this ballot, including Measure O. If Proposition 5 is not stopped, you are likely to see measures like this every year and your property tax bills are likely to go up after every election, forever.

Voters beware!

s/ Nicholas Bloise  
Director of Operations  
Sacramento Taxpayers Association

## REBUTTAL TO ARGUMENT AGAINST MEASURE O

Measure O's lone opponent is largely misguided, but we couldn't help but notice their argument made no mention of emergency response times or fire preparedness.

**That's because we all know the need for Measure O is real and urgent, and the only option to keep our communities safe.**

Sacramento Metro Fire underwent a comprehensive capital needs assessment — conducted by third-party experts and independent appraisers — before pursuing Measure O. The findings are profound: the needs identified **far exceed** Metro Fire's current budget and without a local funding source like Measure O, fire and medical emergency response are in serious jeopardy. Read a detailed account of the needs and the detailed plan to address them at: <https://metrofire.ca.gov/measure-o-sacramento-metropolitan-fire-district-fire-and-emergency-medical-response-measure>

**Here's the reality:**

### **Stations Can't Handle Current Emergency Call Volume**

Calls for medical and fire emergencies have increased exponentially over the past decade. Metro Fire's stations are simply too old and too small to keep up. 40% of medical calls now have a 20+ minute response time as a result.

### **Every Second Counts in a Fire or Medical Emergency**

Seconds can be the difference between life and death in an emergency. That's not a talking point — it's a reality. Measure O is not a nice to have. It's a need to have.

### **Citizens' Oversight and a Detailed Project List Ensure Transparency and Accountability**

Every penny of Measure O is accounted for, spent only on local emergency response needs. No funds can be taken by the State.

**Don't be misled: Measure O is the ONLY option to maintain rapid 911 response times in our communities.**

s/ Patty Cicogni  
Manager, Red Cross Disaster Action Team

s/ Ajani Hoffert  
Local Registered Nurse

s/ Diane Ebbitt-Riehle  
Businessowner and Former Executive Director, Citrus Heights Chamber of Commerce

s/ Dora Webber  
60-Year Citrus Heights Resident

s/ Michael Wilbourn  
Army Veteran, Rio Linda American Legion Post 521