

VOTER'S PAMPHLET
MEASURES, ANALYSES AND ARGUMENTS

(whichever is applicable to your ballot)
Arguments in support of, or in opposition to, the proposed laws are the opinions of the authors.

SCOTTS VALLEY FIRE PROTECTION DISTRICT

N **SCOTTS VALLEY FIRE PROTECTION DISTRICT BOND MEASURE.** Shall the Scotts Valley Fire Protection District be authorized to issue general obligation bonds (no bond exceeding 30 years from issuance) in a principal amount not exceeding \$5,200,000, bearing interest at legal rates, to assist in constructing a new fire station, pay costs of issuance, and levy an ad valorem tax on taxable property in the District at a rate sufficient to pay for the bonds and the administration thereof?

FULL TEXT OF BALLOT MEASURE N

**SCOTTS VALLEY FIRE PROTECTION DISTRICT
RESOLUTION NO. 2006-13**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT DETERMINING THE NECESSITY TO INCUR A GENERAL OBLIGATION BOND INDEBTEDNESS IN CONNECTION WITH THE CONSTRUCTION OF A NEW FIRE STATION AND LEVY A SPECIAL TAX THEREFOR, CALLING A SPECIAL ELECTION THEREON, REQUESTING CONSOLIDATION OF SAID SPECIAL ELECTION, AND AUTHORIZING PREPARATION OF A TAX RATE STATEMENT

SCOTTS VALLEY FIRE PROTECTION DISTRICT

BE IT RESOLVED by the Board of Directors ("Board") of the Scotts Valley Fire Protection District ("District") resolves as follows:

The construction of a new fire station on certain real property owned by and located within the District has been proposed. The real property on which the new fire station is proposed to be constructed is located at 6000 La Madrona Drive, Scotts Valley, California 95066, and constitutes a portion of the real property commonly known as Santa Cruz County Assessor's Parcel No. 021-141-20.

Pursuant to Section 13925 of the California Health and Safety Code, the Board does hereby find, determine, and declare that in order to assist in financing the construction of the aforesaid proposed fire station it is necessary to incur a General Obligation bond indebtedness.

The purpose for which the proposed debt is to be incurred is to provide a portion of the funds necessary to pay for the cost of construction of said improvements and expenses incidental thereto, including, but not limited to, architectural and engineering fees and costs, as well as to pay all expenses incurred by the District in connection with the conducting of proceedings for the authorization, issuance, and sale of bonds. It is the intent of this Board to utilize existing sources of funds to the maximum practical extent, consistent with prudent financial management, to reduce the overall debt obligation required to finance the new station and to use existing revenue streams to reduce the annual debt service. Specifically, the Board intends to use the proceeds from the sale of the Sims Road station, the proceeds from the sale of the unused Glenwood lot, and funds in the Zone A capital improvement account to reduce the amount of the Bond offering. These amounts are \$450,000, \$400,000 and \$400,000, respectively. Further, the Board intends to utilize part of the revenue stream for the Zone A account to reduce the annual debt service throughout the period of Bond indebtedness. This amount is currently estimated at \$55,000 per year, and will increase annually in proportion to the increase in total assessed valuation in Zone A.

The construction of the fire station is necessary to carry out the objects, purposes and powers of the District.

The cost of construction of the fire station, and the expenses incidental thereto, is and will be too great to be paid out of the ordinary revenue available to the District after the District meets the costs of providing services pursuant to Section 13862 of the Health and Safety Code.

The maximum amount of the proposed General Obligation bond debt to be incurred is not to exceed \$5,200,000.

The maximum term the bonds proposed to be issued shall run before maturity shall not exceed thirty (30) years from the date of issuance.

Consistent with Section 53531 of the California Government Code, the maximum rate of interest to be paid on the bonds shall not exceed twelve percent (12%) per year payable semiannually, unless a higher rate is permitted by law.

To pay the interest and principal, and any premium, on any bonds issued, the District proposes to annually levy for thirty (30) years after the bonds are issued or until the bonds are fully paid a special ad valorem tax on all property in the District subject to taxation by the District, at a rate sufficient for these purposes and based on assessed valuation.

Pursuant to Sections 13925 et seq. of the California Health and Safety Code, this Board hereby calls a District-wide special election for November 7, 2006 at which the proposition of authorizing the District to incur the General Obligation bond indebtedness in connection with the construction of a new fire station shall be submitted to the voters, along with the proposition of the levy of the special ad valorem tax.

The Board does hereby request the Santa Cruz County Board of Supervisors to approve consolidation of said special District-wide election with any other elections conducted by Santa Cruz County within the territory of the District on said date.

The measure to be submitted to the voters of the District and to be placed on the November 7, 2006 ballot and in any ballot pamphlet shall read substantially as follows:

MEASURE N

SCOTTS VALLEY FIRE PROTECTION DISTRICT BOND MEASURE. Shall the Scotts Valley Fire Protection District be authorized to issue general obligation bonds (no bond exceeding 30 years from issuance) in a principal amount not exceeding \$5,200,000, bearing interest at legal rates, to assist in constructing a new fire station, pay costs of issuance, and levy an ad valorem tax on taxable property in the District at a rate sufficient to pay for the bonds and the administration thereof?

The words "YES" and "NO" shall be printed on the ballots so that the voters may express their choice on the aforesaid proposition.

That all the purposes enumerated in the foregoing measure shall be united and voted upon as one single proposition.

That the Chair of the Board is hereby authorized and directed to prepare or cause to be prepared a tax rate statement (the "Tax Rate Statement") conforming to the requirements of Section 9401 of the Elections Code, and to file or cause to be filed said Tax Rate Statement with the Santa Cruz County Elections Department.

The Secretary to the Board is hereby authorized and directed to file or cause to be filed with the Santa Cruz County Elections Department a map showing the boundaries of the District, if necessary, and to execute and file with the Santa Cruz County Elections Department any forms or applications required by it in connection with the consolidation of the special election herein referenced.

That the Santa Cruz County Elections Department is hereby requested to include the Tax Rate Statement in all official publications pertaining to the special election herein called, pursuant to the provisions of Section 9402 of the Elections Code.

That the members of the Board are hereby authorized, but not directed, to prepare and file with, or cause to be prepared and filed with, the Santa Cruz County Elections Department a ballot argument in favor of the proposition set forth above, within the time established by law.

This Board hereby requests the Board of Supervisors of Santa Cruz County, pursuant to Elections Code Sections 10400, 10401 and 10403 to consolidate this District-wide special election with the statewide election to be conducted in Santa Cruz County on November 7, 2006.

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Upon approval by the Santa Cruz County Board of Supervisors of the District's request for consolidation of said special District-wide election with the statewide election to be conducted in Santa Cruz County on November 7, 2006, the election shall be conducted in all particulars, including, without limitation, the specification of precincts, polling places, and selection of officers of election, the same as the consolidated statewide election.

Without limiting the foregoing in any manner, with respect to the special election herein called on the measure to be submitted, all notices required by law, including without limitation any notice of election, shall be published by, and the date and place for submission of written arguments for and against the measure for inclusion in the ballot pamphlet shall be fixed by, the County of Santa Cruz.

The District agrees to enter into any necessary service contract with the County of Santa Cruz for its services in connection with the administration and conduct of the election and to pay the reasonable costs of Santa Cruz County relating thereto. The Chair or Vice-Chair of the Board, or Secretary to the Board, and each of them, acting severally, is hereby authorized to execute the service contract on behalf of the District.

This resolution shall be in full force and effect immediately upon its adoption.

the District believes the foregoing projections and estimates (including the aforesaid annual interest rate) are sound and reasonable and based thereon,

the estimated average rate of \$0.00354 per \$100 of assessed valuation means a tax of \$3.54 per \$100,000 of assessed valuation, \$5.31 per \$150,000 assessed valuation, \$7.08 per \$200,000 of assessed valuation, and so on.

The actual interest rates at which the bonds will be sold, which in any event cannot exceed 12% per annum by law, will depend upon the bond market at the time of sale. Actual assessed valuation in future years will depend upon the value of the property within the District as determined in the assessment and equalization process. Hence, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated above.

The intention of the current Board of Directors of the District to limit the tax rate is not binding on future Boards of Directors who may determine the needs of the District require a higher tax rate to pay for principal and interest on any authorized bonds up to the maximum of \$5,200,000.

Dated: August 2, 2006

s/ Art Smith
Chair, Board of Directors
Scotts Valley Fire Protection District

TAX RATE STATEMENT BOND MEASURE N

A special general obligation bond election will be held within the Scotts Valley Fire Protection District ("District") on November 7, 2006, for the purpose of submitting to the electors of the District the question of incurring a general obligation bonded indebtedness of the District in a principal amount not to exceed \$5,200,000. It is the intent of the Board of Directors of the Scotts Valley Fire Protection District that the highest tax rate shall never exceed \$0.00567 per \$100 assessed valuation and that the tax rate shall expire 30 years after the issuance of the general obligation bonds ("bonds"). Proceeds of the bonds would be utilized to assist in construction of a new fire station on land owned by and within the District, and to pay for costs of issuance of the bonds.

The following estimated projections are made assuming said bonds are sold with an average annual interest rate of 4.9876% using the fiscal year 2006-2007 assessed valuations of real property and improvements located within the Scotts Valley Fire Protection District, as provided by the assessor's office of the County of Santa Cruz, California, as the base year. If such bonds are authorized and sold, the principal thereof and interest thereon, and the cost of administering them, will be payable from the proceeds of tax levies made upon the taxable real property and improvements in the District.

The following information regarding tax rates is given to comply with Sections 9400 and 9401 of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, and assuming the entire debt service will be amortized through special tax levies based on assessed valuation made upon all taxable real property and improvements within the District:

The best estimate from official sources of the tax that would be required to be levied to fund the bond issue during the first fiscal year after the first sale of the bonds, based on assessed valuations presently available, is \$0.00539 per \$100 assessed valuation.

The best estimate of the highest tax rate which would be required to be levied to fund the bond issue and an estimate of the year in which that rate will apply, based on assessed valuations presently available, is \$0.00567 per \$100 assessed valuation for the fiscal year 2008-2009.

Attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which is not binding upon the District. The actual times of sales of said bonds and the amount sold at any given time will be governed by the needs of the District and other factors. However, as a practical matter

**IMPARTIAL ANALYSIS BY COUNTY COUNSEL
MEASURE N**

If approved by at least two-thirds of those voting on the measure, up to \$5,200,000 of general obligation bonds may be issued on behalf of the Scotts Valley Fire Protection District ("the District").

The bonds would constitute an indebtedness of the District, with a maximum term of thirty years from issuance and a maximum interest rate of twelve percent per year payable semiannually, unless state law permits a higher rate.

The money raised through sale of the bonds will be used by the District to provide a portion of the funds necessary to pay for constructing a proposed new fire station, as well as expenses incidental thereto and expenses in connection with the authorization, issuance and sale of the bonds. The location of the proposed new fire station is 6000 La Madrona Drive, Scotts Valley, California.

Payment of interest, principal and any premium on the bonds would be financed by a tax levied annually on real property within the District. The Tax Rate Statement for this measure which is printed in this ballot pamphlet provides information about that tax, as required by law. The precise effect of the bonds upon the property tax rate within the District would be determined after sale of the bonds.

A "yes" vote on Measure N is a vote to authorize the District to issue the bonds described above.

A "no" vote on Measure N is a vote not to authorize the District to issue those bonds.

DANA McRAE, COUNTY COUNSEL
By Jane M. Scott, Assistant County Counsel

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ARGUMENT IN FAVOR OF MEASURE N

Vote YES on Scotts Valley Fire Station

Emergency response time is the critical factor for medical emergencies, traffic accidents and fires. Seconds lost in medical emergencies can mean the difference between life and death. Faster district-wide response to a medical emergency will be for your benefit.

More than 65% of voters approved the bond issue in June. To get the required two thirds approval, the District has scaled back the project by \$3 million, reducing the average homeowner's cost to just \$16 per year, a very modest cost for this permanent community improvement that is so critical to all residents.

It's About Saving Lives

- Fair, district-wide coverage means faster responses to emergencies
- Wisely invests taxpayers' funds in a new building, instead of upgrading a 40-year old outmoded structure that does not meet safety standards
- Balanced paramedic and fire crew distribution
- Equal and faster service to families and seniors

This bond will build an up-to-date Fire Station on La Madrona Drive near Mount Hermon Road fulfilling a major part of the District's Long Range Plan to fairly balance response time throughout the District and increase staff efficiency. The La Madrona Station will be 12,000 square feet, quarters for 6 crew members, 12 during an emergency and will house 8-forty foot safety and fire vehicles.

Fiscally Responsible

- Moving the Station will benefit the citizens of the District for years to come
- Delaying construction to future years will dramatically increase construction costs
- Bond funds may only be used to pay for the fire station
- New location is already fully owned by the District

Now is the Time to build the La Madrona Fire Station. **It's Right for Everyone.**

For more information, please visit www.YESonsvFireStation.com

Voting YES on Measure N protects your life and your property.

Scotts Valley Fire Fighters Association
s/ Mike Pasquini, President

Scotts Valley Peace Officers Assn.
s/ Jason Rutherford, President

s/ Steve Walpole
Retired Scotts Valley Police Chief

s/ Paul Marigonda
Scotts Valley City Council Member

s/ Fred Zanotto
Business Owner/Grocer, Long time Resident

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE N

Everyone supports improvements in medical or fire emergency response time. Everyone supports firefighter safety and serviceable facilities. But taxpayers only have a limited pool of resources. An example of real need is Scotts Valley Middle School. Teachers are holding classes in portable classrooms. Many schools are old and really need new facilities. On the other hand, the Fire district has one new fire station and one centrally located, very serviceable fire station on Erba Lane. Drive by the station or schedule a visit and see for yourself.

The majority of seniors live in and around the central area of Scotts Valley. The fire station on Erba Lane is currently located to best serve seniors and families. Measure N isn't about improving response time. Building a new facility only one mile from the current facility will not appreciably improve response time to anyone.

The argument in favor of Measure N states that the Erba Lane fire station is an "outmoded structure that does not meet safety standards". The Erba Lane Fire Station may not meet current seismic standards, but the building is not unsafe. Think about your own house or place of employment. Do they meet current seismic standards? Does that make the place you live or work unsafe?

Building a new fire station, only one mile from the current station, at a cost of 5.2 million taxpayer dollars, paid for by bonds bearing interest at an interest rate not to exceed 12% is not necessary! Vote NO on Measure "N"

s/ Paul J. Heltsley

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ARGUMENT AGAINST MEASURE N

Please join me and other responsible Scotts Valley taxpayers in voting NO on Measure N. Proposing that new infrastructure be built with expensive interest bearing bonds is not a cost effective solution for taxpayers! Scotts Valley already has two perfectly good fire stations that provide excellent coverage to a city of 11,500 residents. The stated goal of possibly reducing response times for only the Pasatiempo area is just too expensive at a cost of 5.2 million dollars. Many taxpayers question the current large overhead and administrative ratio of the Scotts Valley Fire Department. Before taxpayers will likely be interested in funding more office space for chiefs and administrators, taxpayers want to see more actual firefighters and a reduced administrative ratio!

s/ Paul J Heltsley

REBUTTAL TO ARGUMENT AGAINST MEASURE N

Staffed by a Fire Chief, Fire Marshall, Secretary, half-time bookkeeper, 24 firefighters, and volunteers, the Scotts Valley Fire Protection District extends 22.5 square miles, serves 21,000 residents and is double the population of the City of Scotts Valley. Districts of comparable size often have three times the Administrative staff and three, or more, fire stations.

The Board of Directors and Fire Chief are diligent and conservative managers of taxpayers' monies, always striving to provide better service and faster response times while staying within their budget. This is a team that works toward the future needs of the citizens of the District as boundaries change and growth occurs. The District's financial records are available to the public upon request and on the internet at www.scottsvalleyfire.com.

Response times to emergencies are critical and shouldn't depend on where one lives! The new Glenwood Station improved response times to the central portion of Scotts Valley and the northern end of the District. The La Madrona Station will fairly equalize response times to a large portion of the District and fulfill the long-term plan to improve public safety. With the present staffing levels, the number of fire fighters at stations is not the current issue. It's the location of the station that makes the difference.

The La Madrona Station will be financed with 30-year bonds with an average interest rate of approximately 4.95%. Bond funds, and any District funds set aside for this project, may only be used to build the Station.

Join us. Vote YES on Measure N!

Improve Public Safety

s/ Jerry Ashfield
Former Fire Board Member

s/ Donna R. Lind
Retired Sergeant, Scotts Valley Police Department

s/ Peter Pini
Project Manager, B.C.I.

s/ Patti R. Malone
Malone's Grande Grille, Businessowner

s/ Shirley Flack
County Office of Education Trustee