



Frequently Asked Questions

about

Measures E and G

Q. What is Measure E on the upcoming November ballot?

A. The Oakley City Council placed Measure E on the November ballot for Oakley voters to decide whether to raise funds through a utility users tax (UUT) to help improve fire protection and emergency medical services for residents and businesses.

Q. What problem does Measure E help to solve?

A. If passed, the Measure E proposal will help solve the inadequacy of the fire protection and emergency medical services provided to the City of Oakley. Because Oakley's fire service provider – the East Contra Costa Fire Protection District – lost much of its property tax revenue to the Great Recession, it closed five stations throughout the District, leaving our community at great risk. When a fire is growing or a patient has stopped breathing, every second counts, which is why timely fire and emergency medical response is so critical. Calls for fire and medical emergencies have increased. Moreover, it takes firefighters from the Oakley station too long to respond to emergencies. Firefighters at the Oakley station are not always available to respond to emergencies within City because they may be responding to emergencies elsewhere in the District as the first responder, or as a back-up unit.

Q. If voters approve Measure E, how many stations would be added?

A. Today, Oakley has one station with nine firefighters assigned to that station, and only three firefighters on-duty throughout the day to serve over 40,000 residents. Under the Measure E proposal, one more station would be added within the Oakley city limits for a total of two stations.

Q. How will fire and emergency medical services be improved with the addition of two fire stations in Oakley?

A. Oakley's one fire station responds to more than 6,000 calls for service a year (or more than 16 a day). These include emergencies in the City and throughout the East County Fire Protection District when multiple emergencies occur at once or multiple crews are needed for a structure fire or other major response. Due to service demand and the time it takes to drive to emergencies, Oakley's one station cannot provide adequate service within the city limits. By adding a fire station in Oakley, the stations together will dramatically improve coverage. In addition, the added station will also provide three additional firefighters on duty and 9 new firefighters.

Q. How does a UUT work?

A. A UUT is a tax on charges for utility services, such as electricity, gas, water, sewer and cable. It is paid by utility users (residents and businesses) and collected by utility providers on their bills. The utility providers pay the money to the City to fund municipal services.

Q. How common are UUTs in California?

A. About half of all California residents and businesses pay a UUT to help fund municipal services, including police and fire services. More than 150 cities use a UUT. Every city can decide which utilities are subject to this tax. UUT rates can go as high as 11 percent, but the average statewide is about 5.5 percent. The Oakley proposal is limited to 3.5 percent and applied only to these utilities: electricity, gas, water, sewer, and cable.

Q. How would a Oakley UUT work under Measure E?

A. For residents and businesses whose billing address is in Oakley, the UUT would apply to charges for the following services: electricity, gas, water, sewer and cable. The UUT would not apply to charges for garbage, cell phone and other telecommunications utilities. The tax rate would be 3.5 percent and cannot increase without voter approval. An estimated two million dollars would be collected each year by utilities and transferred to the City. These funds could be used to increase the level of 9-1-1 services for fire and emergency medical response.

Q. Will electricity generated by rooftop solar be subject to the UUT?

A. No.

Q. Will my cell phone charges be subject to the UUT?

A. No. The City Council specifically excluded cell phone charges from the Oakley UUT.

Q. Why was Measure G placed on the November ballot?

A. Measure G is an advisory measure. The revenues from a UUT may be spent on any municipal service provided by a city; the use of these funds is not spelled out in this measure. The City Council decided to seek guidance from voters on how to spend these funds by placing an advisory measure on the ballot. The advisory measure seeks to know, if the UUT measure passes, do the citizens want the revenues to be used to restore and enhance fire protection and emergency medical response services in the City of Oakley?

Q. Why is a UUT being proposed instead of other funding options?

A. A parcel tax measure proposed by the East Contra Costa Fire Protection District failed in 2012, as did the District's proposed benefit assessment in 2015. The Oakley City Council believes a UUT is the most realistic and reasonable approach to generate new revenue. Because it applies to all residents and businesses based on utility use, a UUT is fair – everyone is protected by fire and emergency medical services so everyone pays. Because the UUT is a general tax requiring a simple majority vote (as opposed to a two-thirds majority vote required for property taxes and assessments on property), the measure is viable. The 3.5 percent rate makes the UUT reasonable and affordable. Finally, the City Council can manage the tax responsibly, including lowering the rate or repealing the tax if funding is not needed in the future as it is now.

Q. Why can't the City use existing funding sources to improve fire protection and emergency medical services?

A. UUT revenues are essential to opening, staffing and equipping a new fire station. Oakley doesn't have the money to pay for the related construction and operating costs. The developer of the Summer Lakes subdivision and nearby developers will cover the cost of building the new fire station and supplying an engine, but the costs to operate the station are not available to the Fire District. This

City's General Fund budget is only \$16 million dollars and to take over \$2million dollars from that would require unmanageable cuts or even eliminate entire departments (like police, park and recreation services) to fund adequate fire and emergency medical services from this new station.

Q. Why are Oakley voters being asked to raise revenue for a service provided by the East Contra Costa Fire Protection District?

A. The District has failed in two fairly recent efforts to raise revenue, leaving Oakley with slow and inadequate response to fire and emergency medical incidents. This situation is a real threat to lives and property. The City Council finds this risk unacceptable. While utility tax revenues could be used to support any municipal service, all members of the City Council believe the revenues should be used to finance the costs to reopen, staff and equip two new fire stations. Low-income households entitled to lifeline utility rates from PG&E and other utilities would be exempt from this tax. This effort would better put fire and medical emergency response services in the control of the City by contracting for additional services through the District.

Q. Why not establish a city-operated fire department?

A. A City fire department would be very expensive to establish – approximately \$16 million. The Measure E UUT would not provide sufficient funding to accomplish this. The Measure would, however, provide funding for the East County Fire Protection District to staff and operate an additional fire station in Oakley. Contracting with the District is the most immediate and efficient solution to improving our level of fire protection and emergency medical services for Oakley.

Q. What will happen if property taxes are reallocated in East Contra Costa County?

A. Under the ballot measure, the UUT would sunset and the City Council will repeal the tax if a property tax reallocation generates revenues to match those the UUT would provide.

Q. Can the City Council increase or decrease the tax rate or add other utility charges to the tax base?

A. The City Council cannot increase the Measure E UUT rate or add other utility charges without voter approval, but the City Council could decrease or eliminate the tax and must do so if property taxes are reallocated to make the UUT unnecessary.

Q. Could Oakley residents have to pay more for homeowners' fire insurance?

A. Insurance rates are set by private insurers based on a variety of factors. A lack of adequate fire services within the City puts homeowners at risk that fire insurance could become more expensive or unavailable. Opening more stations in the District will help homeowners avoid this issue and protect property owners from higher insurance bills.

Q. Can't we just use volunteer firefighters?

A. Many, many years ago our communities and District began with a very proud volunteer program. As the area evolved so did the needs of the District. Today, it is very difficult for an individual to volunteer to be a firefighter. Most families today need two incomes to make ends meet. In general, people travel greater distances to work with longer drive times and the volume of calls out of stations has increased dramatically. The Oakley fire station often has over 15 calls per day. How would it be even possible to call volunteers away from work on that type of frequency? Further, safety standards for volunteers are no different than those of professional firefighters, which means volunteering

demands a much greater time commitment than ever before and the with the same rigorous and frequent training.

Q. Will the Measure E revenue be used to pay for firefighter salaries and pensions?

A. The new revenue could help open, staff, and equip an additional fire station, which includes the salary and benefit costs for 9 additional firefighters at the currently contracted pay scales. We cannot provide fire service without firefighters. The cost of that labor is unavoidable; however, in the recent years much has been done to reduce the costs of pension plans and newly-hired staff does not receive the same pension plans of the past.

VOTE on November 8th!