

SPECIAL MEETING of the ROSS TOWN COUNCIL
FRIDAY, NOVEMBER 21, 2025
Held In-Person and Teleconference via Zoom

1. 4:02 p.m. Commencement.

Mayor Julie McMillan; Mayor Pro Tem Elizabeth Robbins; Council Members Teri Dowling; Bill Kircher, Jr., Mathew Salter; Town Manager Christa Johnson; Town Attorney Ben Stock.

2. Posting of agenda/changes to agenda.

Town Manager Johnson confirmed the agenda was posted according to government requirements and there were no changes to the agenda.

3. Disclosure of Ex Parte Communications on Items on this Agenda

None.

4. Closed Session

The Council adjourned to Closed Session at 4:05 p.m. to discuss the following matter:

a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: (33 Sir Francis Drake Blvd., Ross CA 94957)

Town negotiator: (Town Manager)

Negotiating parties: (Ross Valley Paramedic Authority)

Under negotiation: (Instruction to negotiator on both price and terms of lease payments)

5. Town Council will return to open session and announce actions taken, if any.

Mayor McMillan reconvened the special meeting at 4:52 p.m. and announced no reportable action was taken in Closed Session.

6. Town Council to consider providing direction to the Town Manager regarding the execution of a Lease and Operating Agreement with the Ross Valley Paramedic Authority documenting the terms for construction and tenancy of a Paramedic Facility to be located at 33 Sir Francis Drake Blvd. in the Ross Civic Center; and to consider adoption of Resolution No. 2547 if the direction to the Town Manager is to execute the Lease and Operating Agreement with Ross Valley Paramedic Authority.

Town Manager Johnson provided a brief background on the history of RVPA's operation of one of its two paramedic ambulances out of the Ross Fire Station since the early 1980's via a series of leases between the Town and RVPA, as follows:

- On March 11, 2021, the Town Council voted unanimously to rebuild the Town's police, paramedic and administrative buildings and move forward without a fire station in the Master Plan for the Civic Center.
- On June 15, 2023, the Council adopted a Master Facilities Plan that included a new paramedic ambulance facility.
- On November 1, 2024, an Emergency Services Deployment and Fiscal Assessment Review Study was commissioned by the RVPA Board and it was completed by Citygate Associates. The study concluded that an ambulance owned by the RVPA should continue to be housed

in the Ross Civic Center because the location is economically and operationally well-positioned to serve the community.

- For over a year, staff and attorneys for the Town and the RVPA have been diligently negotiating the terms of a new lease and operating agreement in conformance with the direction received from their respective governing bodies.
- The final draft Lease and Operating Agreement (attached to the staff report) documents terms related to the construction of the facility, the shared facilities, tenant improvements including the approximate date by which the work will be completed, as well as terms regarding the leasing and operation of the facility following its substantial completion.

In summary, the lease has a pre-occupancy period which continues the existing lease in hold-over status until the new paramedic facility is constructed in early 2029. When completed and the RVPA moves in, the lease has an 8-year term, and she described the lease terms, facility's square footage, programming based on the 2023 Facilities Master Plan, the design process and input by RVPA, the final decision which rests with the Ross Town Council, bid specifics and terms as described in the staff report.

Staff recommends that the Town Council consider providing direction to the Town Manager regarding the execution of a Lease and Operating Agreement with the RVPA, documenting the terms for construction and tenancy of a paramedic facility to be located at 33 Sir Francis Drake Blvd. in the Civic Center, and to consider adoption of Resolution No. 2547 if the direction to the Town Manager is to execute the lease and operating agreement with RVPA.

Council Member Salter said the lease does not begin until occupancy, and he asked what the current lease covers until that point in terms of RVPA's commitment to being here.

Town Attorney Ben Stock said the current lease has a clause which addresses all requirements of their existing rent which RVPA has been paying, as well as termination rights in the lease.

Council Member Salter stated the lease states "pre-occupancy period rent" and he asked what is RVPA's obligation to stay. Town Attorney Stock said it is the same as in the existing lease and they have the same rights regarding termination without cause in the lease in the pre- and post-occupancy periods.

Council Member Salter stated there is a period between "This lease commences. When the building gets TCO." Town Attorney Stock said the new lease period commences at either January 2029 or the substantial completion, whichever occurs earlier. Up until that time, the rent for the pre-occupancy period goes until the substantial completion date or January 1, 2029. Once that date occurs the new rent is triggered and all other terms exist once both parties approve it.

Council Member Salter asked if both parties sign, this means the lease's terms are effective as of that date, and Mr. Stock confirmed.

Mayor Pro Tem Robbins referred to page 9, number 15 and RVPA "leaving for cause." She said it states, "A failure of the voters in any municipality that are members of the tenant's JPA

organization to renew the parcel tax." She said if this happens, it is required that RVPA meets with Ross to discuss how they can make this work even if a parcel tax fails. Town Attorney Stock said there is a meet and confer procedure before they can terminate, which he read.

Council Member Salter referred to Item 3 on page 10 of the lease regarding the landlord institutes or joins a party in any litigation against tenant or its staff members, and he asked how the Town would agree to potential litigation during the lease term. Town Attorney Stock replied RVPA requested this term as a potential if the Town somehow decides to sue their agency or their board or individuals who work for that agency. It does not require the Town not to sue them. It just means then they have the right to terminate the lease.

Council Member Salter said if there was an issue with the ambulance or someone committed fraud to the Town and the Town needed to be a party in a lawsuit, he asked and confirmed RVPA could terminate the lease. He asked if the Town Attorney has ever seen a term like that in a lease before with other towns, and Town Attorney said no, he has not.

Council Member Salter asked if the Town Manager has seen a term like that in a lease, and Town Manager Johnson said, "no."

Mayor McMillan opened the public comment period, and there were no speakers.

Council Member Salter questioned how staff feels about Item 3 of 10, given they have prepared leases in the past, and said he is troubled by it.

Council Member Kircher said he was not originally in favor of this. They argued with RVPA about it and they kept insisting. One situation he was concerned about was a multi-party situation where the Town's insurer wanted the Town to file a cross-claim against them for negligence. So, now he sees there is something in there regarding "at the direction of an insurance carrier." He thinks it has been addressed. If the ambulance goes out and runs over somebody and the injured party sues the Town and RVPA, the Town did not operate the ambulance but was just the landlord. But, if the Town is party to a suit, they must defend it. Normally, they would file a cross complaint against the RVPA stating they are primarily liable for this and their responsibility to take care of this and they need to indemnify the Town for any loss. If this were a situation where the Town's insurance covered them and the insurer said they need to file a cross complaint, then they can without violating the lease.

Town Attorney Stock said under 3.3; Responding to or complying with a valid legal process or direction from an insurance carrier of the respect to insurance claim. Council Member Kircher noted, therefore, Town can sue because they breached the agreement.

Council Member Salter said if that happened and there was a cross claim, there is a carve-out that states, "If the insurance company is doing it, they cannot leave the lease." Council Member Kircher said if it is per their direction, they want to have the Town serve a cross complaint and that is not grounds for them to terminate the lease.

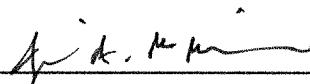
Council Member Salter said if the Town's insurance company says they want to counter-sue them because they injured or killed somebody and now the Town must pay \$2 million and they want to get this from RVPA because the Town is just the landlord, he asked if the Town is allowed to do that under this lease. Town Attorney Stock confirmed the Town is allowed to do that and that was the point of the carve-out. However, if RVPA does not pick it up, they do a cross complaint and they would not be able to exit the lease if that happened.

Council Member Dowling moved, and Mayor Pro Tem Robbins seconded, to recommended giving direction to the Town Manager to execute the Lease and Operating Agreement with RVPA for a paramedic facility to be located at 33 Sir Francis Drake Boulevard in the Ross Civic Center, and to adopt Resolution No. 2547. Motion carried (4-1; Salter no).

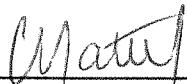
Mayor McMillan commended staff, the Town Attorney, and everyone involved in the multiple iterations and negotiations, and she is happy for the Town they have reached this point. She is also optimistic that the December 4th RVPA Board meeting will go well.

7. Adjournment.

The meeting adjourned at 5:10 p.m.


Julie McMillan, Mayor

ATTEST:



Cyndie Martel, Town Clerk