

JOINT POWERS AGREEMENT FOR THE PROVISION OF FIRE PROTECTION SERVICES

I. Parties. This Agreement is dated the ____ day of _____, 2020, and is entered into, pursuant to the provisions of the Minnesota Joint Power Act, Minn. Stat. §471.59, by and between the Cities of Blaine (herein “Blaine”), Mounds View (herein “Mounds View”), and Spring Lake Park (herein “Spring Lake Park”), collectively herein “Cities”, each such City being a municipal corporation and political subdivision of the State of Minnesota.

II. Purpose and Background. It is the Cities’ general purpose under this Agreement to cooperate in providing fire protection services to their residents. This purpose may be effectuated through the acquisition, construction, furnishing, and betterment of land, building, and equipment for municipal fire protection, firefighting, and related public safety and welfare purposes; the contracting for and payment of such capital costs, services and related expenses; and the taking of all other action desirable or necessary in connection therewith. The Cities have a history of cooperating with one another in providing fire protection, most recently pursuant to a certain Contract to Furnish Fire Protection Service (the “Contract”) which each of the Cities executed with Spring Lake Park Fire Department, Inc. in 1986. Under the Contract, the Fire Company provides fire protection and other public health and safety services, equipment, and personnel; and each of the Cities is responsible from year to year for its respective share of the cost thereof pursuant to the Formula (the “Formula”) set out in Exhibit “A” attached hereto. Under this Agreement, Cities anticipate that equipment and other property currently owned by the Fire Company will be acquired by the Cities; that the Cities will acquire additional land, buildings, and other equipment and property for the fire protection and related public health and safety purposes; that the Cities will in turn by contract make available such property to appropriate service providers, including the Fire Company; and that the Cities will share the respective costs thereof pursuant to the Formula and as further provided in paragraph III (D) of this Agreement. All property acquired pursuant to this Agreement is hereinafter referred to as the “Property”.

III. Terms. Now, therefore, in a reliance upon and in consideration of the mutual undertakings herein expressed, Blaine, Mounds View, and Spring Lake Park agree as follows:

- (A) **Exercise or Powers:** The Cities shall exercise such power as may be necessary or convenient to effectuate the purposes of this Agreement, in the manner herein prescribed, or as may otherwise be agreed upon from time to time. The Cities shall strictly account for and disburse all receipts and expenses under this Agreement and shall jointly own all of the Property as provided in paragraph III (E) hereof.
- (B) **Creation and Composition of Administrative Committee.** An Administrative Committee composed of the three chief administrative officers of the Cities is hereby established. The Blaine City Manager shall maintain the files and records of the Committee.

(C) Duties of Administrative Committee. The Administrative Committee's duties shall include, but not be limited to, the following:

1. To administer the terms and provisions of this Agreement.
2. To periodically review fire service contract proposals submitted by providers of fire protection and to make recommendations to the Cities regarding the terms of such proposals.
3. To periodically review the Cities' requirements for firefighting equipment or land and buildings to be used for fire protection services and to make recommendations to the Cities regarding the purchase, sale, maintenance, or lease of such firefighting equipment, land or buildings.
4. To review the annual budget for fire protection services to the Cities, to make recommendations thereon to the Cities, and to administratively monitor the execution of the approved annual budget for fire protection services.

(D) Sharing of Costs. All costs incurred pursuant to this Agreement, including annual operating costs, capital costs, and annual debt service on any bonds or other obligations hereafter issued pursuant to this Agreement, shall be borne by the Cities in their respective shares, as determined by the Formula from year to year. (Refer to Section G for bonding.)

(E) Ownership of Property. Property shall be held nominally in the name of the City of Blaine, but each of the Cities shall have a percentage ownership interest in the Property, which percentage may vary from time to time and equal that City's "Historical Share" hereinafter described. For the year 1970 through 1990 the total capital costs under the Contract and its predecessor agreements or arrangements amounted to \$1,332,566, of which Blaine contributed \$857,694 (64.36%), Mounds View contributed \$294,205 (22.08%), and Spring Lake Park contributed \$180,667 (13.56%). Those Historical Shares shall be recomputed for each year based upon each Cities' additional contributions made pursuant to this Agreement. (Drop this language and replace with "percentage ownership interest of property shall be determined by each City's respective percentage as determined by the Formula set out in Exhibit A" or similar

(F) Consent and Approval. For purposes of determining majority consent at the Administrative Committee level, or at the City Council level, each City shall have voting rights which equal its percentage share under the formula at the time such decision is made, with each such decision being made on the basis of 50% plus approval.

(G) Bonding. The Cities are authorized to issue bonds pursuant to the Joint Powers Agreement. Upon the issuance of any such Bonds the Cities are required to

irrevocably pledge the full faith and credit and taxing powers of their City to repay such City's share of the debt or make payments to the issuing City for its share of the debt repayment.

(H) Duration of Agreement. This Agreement shall remain in effect for an indefinite term.

(I) Termination of Agreement. This agreement shall be terminated within one year after the City Council of one of the Cities notifies the other Cities by resolution of its intent to withdraw from participating in this Joint Powers Agreement. The notice of intent to withdraw must be given one year in advance of the proposed termination date. Upon receipt of a notice of intent to withdraw, the Administrative Committee shall make all the necessary arrangements to sell or dispose of the firefighting equipment and land or buildings acquired pursuant to this Joint Powers Agreement. The Cities shall obtain an appraisal of the firefighting equipment and land and buildings acquired pursuant to this Joint Powers Agreement to determine the depreciated value of the Property. If the Cities cannot agree on the appointment of an appraiser, the Chief Judge of the Tenth Judicial District shall appoint the appraiser. The appraised assets shall be disposed of in the following priority:

1. In the event that the remaining two cities intend to continue to participate in this Agreement, the remaining Cities would purchase the interest of the withdrawing City and proportionately share the cost of purchase. For example, if Spring Lake Park withdrew, Blaine's current ownership interest is 76% and Mounds View's is 16%. Therefore, Blaine would be responsible for 76/92; or 82.6% of the purchase, and Mounds View would be responsible for 16/92; or the remaining 17.4% of the buyout. The remaining Cities shall, within 90 days of the date of the termination of this Agreement, or pursuant to a mutually agreed upon payment schedule, pay the withdrawing City its share of the appraised value of the Property.
2. If one City withdraws and either of the remaining Cities does not wish to participate in the purchase of the withdrawing City's share as described in paragraph 1, the failure to participate shall be an election by that City to also withdraw. The remaining City can then either elect to liquidate the property, or elect to purchase the share of the withdrawing Cities. In the event of a purchase, the remaining City shall, within 90 days of the date of termination of this Agreement, or pursuant to the mutually agreed upon payment schedule, pay the withdrawing Cities their share of the appraised value of the Property.
3. If none of the Cities wish to purchase the Property, the Property shall be sold. Any distribution of the proceeds of the disposition of any Property and the return of any other assets arising pursuant to this Agreement shall be made to each of the Cities in proportion to its Historical Share as it exists at the time of such disposition.

(J) Miscellaneous. This Agreement shall be effective as of the date that all of the Cities shall have approved and executed this Agreement, which shall be governed by law of the State of Minnesota, and may be executed in any number of counterparts, each of

which shall constitute an original hereof. In the event that any provision of the Agreement is declared unlawful or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect to the same extent as though said provision did not appear herein.

IN WITNESS WHEREOF, THE Cities of Blaine, Mounds View, and Spring Lake Park, Minnesota, have duly authorized and execution of and have duly executed this Agreement by their authorized representatives, respectively.

City of Blaine, Minnesota

Dated:

By: _____
Its Mayor

By: _____
Its City Manager

Pursuant to authority granted by Blaine Resolution No.____, adopted the _____ day of _____, 2020.

City of Mounds View, Minnesota

Dated:

By: _____
Its Mayor

By: _____
Its City Administrator

Pursuant to authority granted by Mounds View Resolution No.____, adopted the _____ day of _____, 2020.

City of Spring Lake Park, Minnesota

Dated:

By: _____
Its Mayor

By: _____
Its City Administrator

Pursuant to authority granted by Spring Lake Park Resolution No.____, adopted the _____ day of _____, 2020.

EXHIBIT A

Payment for the services provided by the Fire Department shall be as follows:

(A) The annual cost for fire protection to the City shall be determined using the following formula (“Formula”):

$$\text{A.C.} = \frac{\text{C.S.}}{\text{O.C.}} \times (\text{O.C.} - \text{O.R.})$$

A.C. Annual Cost

C.S. City’s Share, based upon the respective shares agreed to as follows:

Blaine = 76%
Mounds View = 15.5%
Spring Lake Park = 8.5%

O.C. Total Budgeted Operating Cost as approved by the Cities.

O.R. Budgeted Non-City Revenues to include only other contract funds.