

**City of Menahga
Action Memorandum 18-013**

Subject: Authorize a Two-Year Fire Contract with the Blueberry, Huntersville and Shell River Townships

Agenda of: March 12, 2018

Council action: Authorized _____

Summary statement: On February 15, 2018, the City and Townships met to discuss the upcoming two-year fire contract.

The Townships requested three changes to the previous contract. The requested changes are:

- Section 3 – Payment. Reduction in the late penalty fee. The late penalty fee is reduced from 10% to 3%.
- Section 13 – Termination. Prorated language. Language regarding prorated reimbursement has been added.
- Section 13 – Termination. The Townships requested the termination timeframe be reduced to 90 days. After consultation with the City Attorney regarding the timeframe, it was determined the 120 day timeframe is necessary to carry out the Dispute Resolution section of the contract. The 120 day timeframe remains the same.

The 2018 contract amounts are based on the 2017 actual budget. This amount is listed in each contract under Section 3 Payment. The 2019 estimated amount is based on the 2018 budget. This amount will be revisited during the 2019 Fire Contract meeting. At that time the amounts will be updated with the 2018 actual budget information.

Fiscal information:

Total amount of funds listed in this legislation: \$ 55,604.23

This legislation (✓):

Has no fiscal impact Creates a positive impact in the amount of: \$ _____
 Creates a negative impact in the amount of: \$ 55,604.23

Funds are (✓):

Budgeted Line items(s): 101-00000-33630
 Not budgeted Affected line item(s): _____

Attachment:

- Blueberry Township Fire Contract
- Huntersville Township Fire Contract
- Shell River Township Fire Contract
- Fire Contract Computation Spreadsheet
- 2018 Contract Amounts
- 2019 Estimated Contract Amounts

City of Menahga
"The Gateway to the Pines"



115 2nd Street NE
PO Box C
Menahga, MN 56464
218-564-4557
www.cityofmenahga.com

February 11, 2018

Blueberry Township Supervisors
Shell River Township Supervisors
Huntersville Township Supervisors

Dear Township Supervisors,

The Annual Fire Contract Meeting for your Township is scheduled for Thursday, February 15 at 6:30 pm in the Menahga City Council Chambers.

I've attached the meeting documents. Please let me know if there are any other documents you wish to see.

Sincerely,

Janette M. Bower, MMC
Menahga City Administrator



City of Menahga
115 2nd Street NE • PO Box C
Menahga, MN 56464
218-564-4557
www.cityofmenahga.com

Fire Contract

The effective date of this contract between the City of Menahga ("City") and **Blueberry Township** ("Town") is April 1, 2018.

In consideration of the mutual promises and agreements hereinafter set forth, the parties do hereby agree as follows:

1. **Fire Service.** City will provide fire protection services consisting of structural, other non-structural, grass/forest, vehicle, and equipment firefighting services; carbon monoxide call response; rescue services; emergency medical services; fire code enforcement; disaster response; and other services as agreed upon in writing, signed by City and Town.
2. **Hazardous Materials.**
 - A. The stated contract fee stated shall not cover services required for the cleanup, containment, or neutralization of any hazardous materials or petroleum product emergencies (as defined by the Minnesota Super Fund Act) occurring in Town including charges for equipment, personnel, and supplies, all of which shall be charged and invoiced by City or vendor of such services to the owner of the affected property at actual cost, as soon as practical after the response to such emergency is completed and shall be due and payable to City within 30 days of the date of the invoice.
 - B. Town shall indemnify and hold City harmless from any and all claims resulting from hazardous material or petroleum product emergency responses and procedures employed.
3. **Payment.**
 - A. Town agrees to pay City on or before the effective date of this contract and on the anniversary of this contract.
 - B. Any contract not paid in full by anniversary date of April 1, will receive a 10% late penalty fee per month.
 - C. The payment amount is the Town's contract amount for the 2018 year is \$33,484.71, and the estimated amount for the 2019 year is \$33,289.04.
4. **Annual Meeting of Parties.**
 - A. Town and City shall hold at least one joint meeting annually, on the third Thursday in February, during the term of this contract to discuss issues either party deems relevant to this contract.
 - B. The meeting shall be held separately from any regular Town or City meeting and shall be attended by a duly authorized subcommittee of each party's governing body.
 - C. At the annual meeting immediately preceding the termination date of each contract period, the renewal contract will be presented showing the payment amount of the coming contract period.

5. **Service Territory.** City shall provide fire services as indicated in this contract to the area in Town as indicated on the attached map and made part of this contract. The identified area shall constitute the Town's Service Territory for purposes of this contract.
6. **Term.** This contract shall commence on the effective date indicated above and shall expire two years from that date unless terminated earlier as provided herein.
7. **Ownership.** City owns the buildings and equipment associated with the Fire Department and the amounts paid by Town not give rise to any ownership, interest in, or responsibility toward, those items.
8. **City's Responsibilities.** In addition to any other described obligations, City shall:
 - A. Authorize and direct the City fire department to provide the fire services described herein to Town's Service Territory;
 - B. Develop a detailed annual operational budget for the fire department for each year during the term of this contract by the Anniversary Date and present it to Town along with sufficient information to explain the items included in the budget figures;
 - C. Upon Town's request, provide Town access to financial and cost data related to the fire department for five years prior to the current service year;
 - D. Disclose to Town any proposed action City or the fire department intends to take that can reasonably be expected to affect the Insurance Services Office Fire Protection Grade in the Service Territory or City's ability to provide the fire services indicated above; and
 - E. Promptly disclose to Town any information City can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
9. **Town's Responsibilities.** In addition to any other obligations described herein, Town shall:
 - A. Pay City, the payment amount indicated above for the year of service within 30 days of the date City requests payments (i.e. the date on the invoice or bill);
 - B. Present a budget and levy proposal to the town electors at each annual town meeting during the term of this contract seeking authority to levy funds as needed to pay the payment amount; and
 - C. Promptly disclose to City any information Town can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
10. **Town's Responsibility – exception.**
 - A. It is understood and agreed Town shall have no responsibility whatsoever toward the firefighters or other emergency personnel including any employment related to issues such as training, supervision, performance reviews, discipline, compensation, benefits, insurance coverages, compliance with any employment related federal, state, and local laws and rules such as OSHA, ERISA, RLSA, FMLA, or any other employment related issues.
 - B. It is further agreed Town has no responsibility, beyond paying the agreed upon payment amount, for acquiring, operating, maintaining, housing, or replacing equipment as needed to provide the fire services described herein.

11. **Insurance Requirements.**
 - A. City shall maintain general liability insurance for its services and shall include Town as an additional insured for the term of this contract and any extensions.
 - B. City shall also maintain inland marine, automobile, and property insurance coverage.
 - C. City shall provide Town, upon request, proof of such insurance coverages and the endorsement naming the Town as an additional insured.

12. **No Waiver.** Nothing herein shall be construed to waive or limit any immunity from, or limitation on, liability available to either party, whether set forth in Minnesota Statutes Chapter 466 or otherwise.

13. **Termination.** This contract may be terminated at any time during its term by mutual agreement of the parties.
 - A. Either party may unilaterally terminate this agreement by personally serving a 120-day written notice of termination on the other party.
 - B. This agreement shall terminate 120 days from the date of personal service of the written termination notice unless the party serving the notice withdraws the notice in writing before it is effective.
 - C. If Town fails to pay for the service according to the schedule established herein, City may terminate this agreement 60 days from the date of personal service of written termination notice.
 - D. Notice to City shall be served on the City Administrator, or City Clerk if there is no City Administrator, and notice to Town shall be served on the Town Clerk.

14. **Fire Call Response.**
 - A. Fire calls shall be responded to in the order received unless the fire chief or other person in operational control of the fire department at the time fire calls come in, in that person's sole discretion, determines one or more fire calls be responded to out of order.
 - B. City will respond to all fire calls within the Town with suitable firefighting equipment and an appropriate number of members of the City fire department who will render all assistance possible in the saving of life and protection of property.

15. **Discretionary Authority of Fire Department Chief.**
 - A. The City Fire Chief or such other person with operational control of the fire department shall have the discretion to retain in the City such equipment and personnel as may be considered by that person necessary for the proper and adequate protection of persons and property in the City, and shall dispatch for the protection of the Town only such personnel and equipment in response to fire calls as the chief or other person in charge determines can be safely dispatched by the City, considering the needs and responsibilities of the fire department for the protection of the City and other towns served by the fire department.
 - B. In case of an emergency in the City or other towns serviced by the fire department, the Chief or other person in charge at the time shall have the discretion to recall to the City or other towns served by the fire department, such equipment and personnel as may be considered necessary to meet said emergency.

16. **Weather and Road Conditions.** It is acknowledged and understood by City and Town that weather and road conditions will vary during the year and, at times, will interfere in the rendering of the services contemplated by this contract and that in the event such conditions prevent the City from fulfilling its obligations, said failure shall not constitute a

breach of this contract. A determination of whether such weather and road conditions render the provision of fire services impossible or unacceptably dangerous shall be made at the sole discretion of the City Fire Chief or such other person as may be in operational control of the fire department at the time such conditions occur.

17. **Indemnification.**

- A. City agrees to defend and indemnify Town against any claims brought or actions filed against Town or any officer, employee, or volunteer of Town for injury to, death of, or damage to the property of any third person or persons, arising from City's performance under this contract for services.
- B. Under no circumstances, however, shall City be required to pay on behalf of itself and Town, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party.
- C. The limits of liability for City and Town may not be added together to determine the maximum amount of liability for City.
- D. The intent of this section is to impose on City a limited duty to defend and indemnify Town for claims arising out of the performance of this contract subject to the limits of liability under Minnesota Statutes Chapter 466.
- E. The purpose of creating this duty to defend and indemnify is to simplify claims by eliminating conflicts between the parties and to permit liability claims against both parties from a single occurrence to be defended by a single attorney.

18. **Dispute Resolution.** All disputes regarding the interpretation, implementation, or any other aspect of this contract shall be referred first to the City Administrator for resolution. If the City Administrator is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to the City Council. If the City Council is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to binding arbitration. The arbitrators shall be selected from the Minnesota Supreme Court's list of qualified neutrals. City and Town shall each select an arbitrator and the arbitrators shall then, at their sole discretion, select a third arbitrator to ensure that a tie vote does not occur.

19. **Service Contract.** This is a service contract. The parties do not intend to undertake or create, and nothing herein shall be construed as creating a joint powers agreement, joint venture, or joint enterprise between the parties.

20. **Minnesota Law Governs.** This contract shall be governed by and construed in accordance with the internal laws of the State of Minnesota. All proceedings related to this contract shall be venued in the County of Wadena.

21. **Severability.** The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this contract.

22. **Complete Agreement.** This writing contains the entire agreement between the parties and no alterations, variations, modifications, or waivers of the provisions of this agreement are valid unless reduced to writing, signed by both City and Town, and attached to this document.

In witness whereof, the parties have executed this contract effective on indicated effective date.

City of Menahga

Blueberry Township

Mayor

Chairperson

Printed Name

Printed Name

Date

Date

Administrator

Clerk



City of Menahga

2018 Contract Amount

2017 City of Menahga Fire Department Budget Information:

2017 City of Menahga Fire Department Budget (Actual):	\$ 113,478.01
City of Menahga Budget Responsibility – 51%	\$ 57,873.79
Budget Applied to Township Contracts – 49%	\$ 55,604.23

Tax Capacities (same capacities used for the 2018 estimate):

Entity:	Tax Capacity
City of Menahga	\$ 540,574
Blueberry Township	\$ 829,988
Huntersville Township	\$ 205,240
Shell River Township	\$ 343,038
Total Township Tax Capacity:	\$ 1,378,266

Township Percentages and Amount Due from each Township:

Township	Township Total Tax Capacity Percentage	Multiplied by Township Budget Portion	Township Contract Portion
Blueberry	60.2%	X \$ 55,604.23	\$ 33,484.71
Huntersville	14.9%	X \$ 55,604.23	\$ 8,280.12
Shell River	24.9%	X \$ 55,604.23	\$ 13,839.39
	100%		\$ 55,604.23



City of Menahga

2019 Estimated Fire Contract Amount

2018 City of Menahga Fire Department Budget Information:

2018 City of Menahga Fire Department Budget:	\$ 112,487.51
City of Menahga Budget Responsibility – 51%	\$ 57,368.63
Budget Applied to Township Contracts – 49%	\$ 55,118.88

Tax Capacities (capacities provided by County on January 30, 2018):

Entity:	Tax Capacity
City of Menahga	\$ 566,048
Blueberry Township	\$ 865,357
Huntersville Township	\$ 207,068
Shell River Township	\$ 360,404
Total Township Tax Capacity:	\$ 1,432,829

Township Percentages and Amount Due from each Township:

Township	Township Total Tax Capacity Percentage	Multiplied by Township Budget Portion	Township Contract Portion
Blueberry	60.4%	X \$ 55,118.88	\$ 33,289.04
Huntersville	14.5%	X \$ 55,118.88	\$ 7,965.61
Shell River	25.2%	X \$ 55,118.88	\$ 13,864.23
	100%		\$ 55,118.88

Fire Contract Calculation Information

	2016 Actual	2016 Contract	2017 Adopted City Budget	2017 Actual	2018 Contract - Actual	2018 Adopted City Budget	2019 Contract - Estimated
42200 Fire Department Expenses:							
Salaries	\$ 13,265.00	\$ 13,500.00	\$ 13,500.00	\$ 13,355.00	\$ 13,355.00	\$ 13,500.00	\$ 13,500.00
Admin Salaries	\$ 2,350.00	\$ 2,350.00	\$ 1,300.00	\$ 1,300.44	\$ 1,300.44	\$ 2,200.00	\$ 2,200.00
Social Security	\$ 822.43	\$ 800.00	\$ 800.00	\$ 828.01	\$ 828.01	\$ 800.00	\$ 800.00
Medicare	\$ 192.38	\$ 200.00	\$ 200.00	\$ 193.69	\$ 193.69	\$ 200.00	\$ 200.00
Operating Supplies	\$ 6,922.69	\$ 3,000.00	\$ 3,000.00	\$ 7,639.15	\$ 7,639.15	\$ 3,000.00	\$ 3,000.00
Motor Fuels & Lubricants	\$ 1,993.47	\$ 3,500.00	\$ 3,500.00	\$ 1,969.29	\$ 1,969.29	\$ 3,500.00	\$ 3,500.00
Professional Medical Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair & Maintenance	\$ 9,232.98	\$ 10,000.00	\$ 10,000.00	\$ 9,601.78	\$ 9,601.78	\$ 10,000.00	\$ 10,000.00
Less insurance reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone/Fax	\$ 565.82	\$ 500.00	\$ 500.00	\$ 555.63	\$ 555.63	\$ 500.00	\$ 500.00
Travel & Conference	\$ 10,908.95	\$ 2,000.00	\$ 7,850.00	\$ 9,569.63	\$ 9,569.63	\$ 2,532.00	\$ 2,532.00
Less travel reimbursement	\$ (8,908.95)	\$ -	\$ (7,810.00)	\$ 9,798.00	\$ (9,798.00)	\$ (2,532.00)	\$ (2,532.00)
Printing & Publishing	\$ -	\$ 100.00	\$ 100.00	\$ 63.00	\$ 63.00	\$ 100.00	\$ 100.00
Dues and Subscriptions	\$ 242.00	\$ 150.00	\$ 150.00	\$ 242.00	\$ 242.00	\$ 150.00	\$ 150.00
Licenses & Permits	\$ 160.00	\$ 250.00	\$ 250.00	\$ 10.00	\$ 10.00	\$ 250.00	\$ 250.00
Depreciation	\$ 57,474.43	\$ 36,372.09	\$ 57,294.03	\$ 58,506.79	\$ 56,903.17	\$ 55,299.55	\$ 54,904.11
Total:	\$ 95,221.20	\$ 72,722.09	\$ 90,634.03	\$ 113,632.41	\$ 92,432.79	\$ 89,499.55	\$ 89,104.11
41940 Unallocated Government Building Expenses:							
	2016 Actual*	2016 Contract **	2017 Adopted City Budget*	2017 Actual*	2018 Contract**	2018 Adopted City Budget*	2019 Contract**
Operating Supplies	\$ 2,611.89	\$ 288.00	\$ 1,850.00	\$ 1,487.25	\$ 371.81	\$ 1,850.00	\$ 462.50
Repair & Maintenance	\$ 3,018.42	\$ 2,100.00	\$ 3,500.00	\$ 11,418.98	\$ 6,851.39	\$ 7,000.00	\$ 4,200.00
Electric Utilities	\$ 7,678.21	\$ 3,062.00	\$ 8,750.00	\$ 6,283.14	\$ 2,199.10	\$ 7,500.00	\$ 2,625.00
Water/Sewer Utilities	\$ 1,964.77	\$ 700.00	\$ 2,000.00	\$ 1,493.89	\$ 522.86	\$ 1,500.00	\$ 525.00
Gas Utilities	\$ 2,117.88	\$ 1,750.00	\$ 3,000.00	\$ 2,277.66	\$ 797.18	\$ 3,000.00	\$ 1,050.00
Garbage Services	\$ 870.48	\$ 175.00	\$ 750.00	\$ 882.48	\$ 220.62	\$ 750.00	\$ 187.50
Cleaning Services	\$ 1,174.65	\$ 160.00	\$ 900.00	\$ 1,551.30	\$ 310.26	\$ 900.00	\$ 180.00
					\$ (1,785.00)		
						\$ 22,500.00	\$ 9,230.00
Total:	\$ 19,436.30	\$ 8,235.00	\$ 20,750.00	\$ 25,394.70	\$ 9,488.22	\$ 22,500.00	\$ 9,230.00
49200 Unallocated Expenditures:							
	2016 Actual*	2016 Contract **	2017 Adopted City Budget*	2017 Actual*	2018 Contract **	2018 Adopted City Budget*	2019 Contract**
Liability/Property	\$ 17,674.66	\$ 7,850.00	\$ 28,000.00	\$ 25,169.00	\$ 2,755.00	\$ 28,000.00	\$ 3,591.00
Auto Insurance	\$ 6,225.00	\$ -	\$ 7,000.00	\$ 6,459.00	\$ 3,642.00	\$ 7,000.00	\$ 4,370.40
Workers Comp Insurance	\$ 20,178.00	\$ 3,834.00	\$ 32,000.00	\$ 37,093.00	\$ 5,160.00	\$ 40,000.00	\$ 6,192.00
Total:	\$ 44,077.66	\$ 11,684.00	\$ 67,000.00	\$ 68,721.00	\$ 11,557.00	\$ 75,000.00	\$ 14,153.40
Grand total:	\$ 158,735.16	\$ 92,641.09	\$ 178,384.03		\$ 113,478.01	\$ 186,999.55	\$ 112,487.51

*City-wide total

**Fire Department Contract Portion

2017 Fire Calls

Mutual Aid	
Sebeka	8
Park Rapids	4
Wolf Lake	
Township	
BlueBerry	1
Shell River	
Huntersville	5
Menahga City	12
Medical Assist	4
Car Accident	5

First National Bank Menahga - Money Markets

<u>Account</u>	<u>Account Name</u>	<u>Transactions</u>		<u>Amount per Bank</u>	<u>Bank Account No.</u>
101-01151	FIRE DEPT EQUIPMENT	217,945.00	Beginning 2017		
101-01151	FIRE DEPT EQUIPMENT	105.09	Interest Jan 2017	\$218,050.09	
101-01151	FIRE DEPT EQUIPMENT	92.00	Interest Feb 2017	\$218,142.09	
101-01151	FIRE DEPT EQUIPMENT	101.90	Interest Mar 2017	\$218,243.99	
101-01151	FIRE DEPT EQUIPMENT	55,607.74	Transfer 1st Qtr.	\$273,851.73	
101-01151	FIRE DEPT EQUIPMENT	95.43	Interest Apr 2017	\$273,947.16	
101-01151	FIRE DEPT EQUIPMENT	136.22	Interest May 2017	\$274,083.38	
101-01151	FIRE DEPT EQUIPMENT	123.90	Interest Jun 2017	\$274,207.28	
101-01151	FIRE DEPT EQUIPMENT	127.63	Interest Jul 2017	\$274,334.91	
101-01151	FIRE DEPT EQUIPMENT	(2,788.67)	Transfer 2nd Qtr	\$271,546.24	
101-01151	FIRE DEPT EQUIPMENT	126.85	Interest Aug 2017	\$271,673.09	
101-01151	FIRE DEPT EQUIPMENT	118.72	Interest Sep 2017	\$271,791.81	
101-01151	FIRE DEPT EQUIPMENT	(5,983.41)	Transfer 3rd Qtr	\$265,808.40	
101-01152	FIRE DEPT EQUIPMENT	129.97	Interest Oct 2017	\$265,938.37	
101-01151	FIRE DEPT EQUIPMENT	120.22	Interest Nov 2017	\$266,058.59	
101-01152	FIRE DEPT EQUIPMENT	(21,112.50)	Transfer Loan Payment	\$244,946.09	
101-01151	FIRE DEPT EQUIPMENT	108.31	Interest Dec 2017	\$245,054.40	
101-01151	FIRE DEPT EQUIPMENT	-		\$245,054.40	
101-01151	FIRE DEPT EQUIPMENT	<u>245,054.40</u>	Ending 2017		<i>MM # 881508 FNB</i>

		ACTUAL				
		BILLED	RECEIVED	Transferred		
TRANSFERS IN TO MM Account TO BE MADE:						
	2017 DEPRECIATION	-			101-01151	
	2016 FIRE CALLS	-	\$ 4,770.00	\$ 4,770.00	\$ 1,980.00	101-01151
	2017 FIRE CALLS	600.00	4,780.00	3,980.00	3,980.00	101-01151
	Transferred separately	21,112.50				
TRANSFERS OUT FROM MM Account TO BE MADE:						
	PRINCIPLE/INTEREST FOR FIRE TRUCK	(21,112.50)				101-01151
						101-01151
						101-01151
			Net Transfer			Check Payable to First Nat'l Bank
			600.00			
	NET AFTER ADJUSTMENTS	<u>245,654.40</u>				

FIRE DEPARTMENT DEPRECIATION SCHEDULE

1/11/2018

Description	Dept	Year Acquired	Purchase Price	Deprec. Life	2015		2016		2017		2018		2019		2020	
					Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.
EQUIPMENT																
Jaws of Life - Fire	Fire	1994	15,783.00	15 yrs		-		-		-		-		-		-
1985 Tanker Light - Fire #10	Fire	2001	2,706.00	15 yrs	180.40	2,525.60	180.40	2,706.00								
1995 Ford Truck - Pumper #14	Fire	2005	228,625.00	15 yrs	15,241.66	152,416.60	15,241.66	167,658.26	15,241.66	182,899.92	15,241.66	198,141.58	15,241.66	213,383.24	15,241.66	228,624.90
Turnout Gear (21)	Fire	2006	40,856.00	10 yrs	4,085.60	40,856.00										
SCBA Gear (15)	Fire	2006	69,094.00	10 yrs	6,909.40	69,094.00										
Pagers, Batteries, Chargers (4)	Fire	2009	2,218.64	5 yrs	-											
Jaws - Rescue Pkg.	Fire	2009	18,364.50	15 yrs	1,224.30	8,570.10	1,224.30	9,794.40	1,224.30	11,018.70	1,224.30	12,243.00	1,224.30	13,467.30	1,224.30	14,691.60
Air Compressor	Fire	2009	32,072.39	10 yrs	3,207.24	22,450.68	3,207.24	25,657.92	3,207.24	28,865.16	3,207.24	32,072.40				
06 Grass Rig Truck #16	Fire	2010	21,085.00	15 yrs	1,405.68	8,434.03	1,405.68	9,839.71	1,405.68	11,245.39	1,405.68	12,651.07	1,405.68	14,056.75	1,405.68	15,462.43
Freightliner Tanker Truck #8	Fire	2011	193,634.00	15 yrs	12,908.93	64,547.65	12,908.93	77,456.58	12,908.93	90,365.51	12,908.93	103,274.44	12,908.93	116,183.37	12,908.93	129,092.30
2013 ATV Polaris	Fire	2013	11,750.00	15 yrs	783.00	1,566.00	783.00	2,349.00	783.00	3,132.00	783.00	3,915.00	783.00	4,698.00	783.00	5,481.00
1992 Ford HazMat Truck #	Fire	2014	5,500.00	15 yrs.	367.00	734.00	367.00	1,101.00	367.00	1,468.00	367.00	1,835.00	367.00	2,202.00	367.00	2,569.00
2006 Ford F350 Pickup #17	Fire	2014	5,300.00	15 yrs.	353.00	706.00	353.00	1,059.00	353.00	1,412.00	353.00	1,765.00	353.00	2,118.00	353.00	2,471.00
Discharge Chute/Diamond Plate Boxes	Fire	2015	3,954.41	5 yrs	790.88	790.88	790.88	1,581.76	790.88	2,372.64	790.88	3,163.52	790.88	3,954.40		
Turnout Gear (23)	Fire	2016	75,492.36	10 yrs			7,549.24	7,549.24	7,549.24	15,098.47	7,549.24	22,647.71	7,549.24	30,196.95	7,549.24	37,746.19
SCBA Gear (20)	Fire	2016	125,255.00	10 yrs			12,525.50	12,525.50	12,525.50	25,051.00	12,525.50	37,576.50	12,525.50	50,102.00	12,525.50	62,627.50
Gear Washer	Fire	2016	4,688.00	5 yrs			937.60	937.60	937.60	1,875.20	937.60	2,812.80	937.60	3,750.40	937.60	4,688.00
Pagers; batteries 10 Minitor 4 Motorola	Fire	2017	6,063.80	5 yrs					1,212.76	1,212.76	1,212.76	2,425.52	1,212.76	3,638.28	1,212.76	4,851.04
			754,476.81		47,457.09	450,914.54	57,474.43	397,501.37	58,506.79	451,151.79	58,506.79	507,508.22	55,299.55	528,585.01	54,508.67	576,988.92

Total Fire 2014	46,666.21
Total Fire 2015	47,457.09
Total Fire 2016	57,474.43
Total Fire 2017	58,506.79
Total Fire 2018	58,506.79
Total Fire 2019	55,299.55
Total Fire 2020	54,508.67

City of Menahga
"The Gateway to the Pines"



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February 11, 2018

Blueberry Township Supervisors
Shell River Township Supervisors
Huntersville Township Supervisors

Dear Township Supervisors,

The Annual Fire Contract Meeting for your Township is scheduled for Thursday, February 15 at 6:30 pm in the Menahga City Council Chambers.

I've attached the meeting documents. Please let me know if there are any other documents you wish to see.

Sincerely,

Janette M. Bower, MMC
Menahga City Administrator



City of Menahga
115 2nd Street NE • PO Box C
Menahga, MN 56464
218-564-4557
www.cityofmenahga.com

Fire Contract

The effective date of this contract between the City of Menahga ("City") and **Huntersville Township** ("Town") is April 1, 2018.

In consideration of the mutual promises and agreements hereinafter set forth, the parties do hereby agree as follows:

1. **Fire Service.** City will provide fire protection services consisting of structural, other non-structural, grass/forest, vehicle, and equipment firefighting services; carbon monoxide call response; rescue services; emergency medical services; fire code enforcement; disaster response; and other services as agreed upon in writing, signed by City and Town.
2. **Hazardous Materials.**
 - A. The stated contract fee stated shall not cover services required for the cleanup, containment, or neutralization of any hazardous materials or petroleum product emergencies (as defined by the Minnesota Super Fund Act) occurring in Town including charges for equipment, personnel, and supplies, all of which shall be charged and invoiced by City or vendor of such services to the owner of the affected property at actual cost, as soon as practical after the response to such emergency is completed and shall be due and payable to City within 30 days of the date of the invoice.
 - B. Town shall indemnify and hold City harmless from any and all claims resulting from hazardous material or petroleum product emergency responses and procedures employed.
3. **Payment.**
 - A. Town agrees to pay City on or before the effective date of this contract and on the anniversary of this contract.
 - B. Any contract not paid in full by anniversary date of April 1, will receive a 10% late penalty fee per month.
 - C. The payment amount is the Town's contract amount for the 2018 year is \$8,280.12, and the estimated amount for the 2019 year is \$7,965.61.
4. **Annual Meeting of Parties.**
 - A. Town and City shall hold at least one joint meeting annually, on the third Thursday in February, during the term of this contract to discuss issues either party deems relevant to this contract.
 - B. The meeting shall be held separately from any regular Town or City meeting and shall be attended by a duly authorized subcommittee of each party's governing body.
 - C. At the annual meeting immediately preceding the termination date of each contract period, the renewal contract will be presented showing the payment amount of the coming contract period.

5. **Service Territory.** City shall provide fire services as indicated in this contract to the area in Town as indicated on the attached map and made part of this contract. The identified area shall constitute the Town's Service Territory for purposes of this contract.
6. **Term.** This contract shall commence on the effective date indicated above and shall expire two years from that date unless terminated earlier as provided herein.
7. **Ownership.** City owns the buildings and equipment associated with the Fire Department and the amounts paid by Town not give rise to any ownership, interest in, or responsibility toward, those items.
8. **City's Responsibilities.** In addition to any other described obligations, City shall:
 - A. Authorize and direct the City fire department to provide the fire services described herein to Town's Service Territory;
 - B. Develop a detailed annual operational budget for the fire department for each year during the term of this contract by the Anniversary Date and present it to Town along with sufficient information to explain the items included in the budget figures;
 - C. Upon Town's request, provide Town access to financial and cost data related to the fire department for five years prior to the current service year;
 - D. Disclose to Town any proposed action City or the fire department intends to take that can reasonably be expected to affect the Insurance Services Office Fire Protection Grade in the Service Territory or City's ability to provide the fire services indicated above; and
 - E. Promptly disclose to Town any information City can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
9. **Town's Responsibilities.** In addition to any other obligations described herein, Town shall:
 - A. Pay City, the payment amount indicated above for the year of service within 30 days of the date City requests payments (i.e. the date on the invoice or bill);
 - B. Present a budget and levy proposal to the town electors at each annual town meeting during the term of this contract seeking authority to levy funds as needed to pay the payment amount; and
 - C. Promptly disclose to City any information Town can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
10. **Town's Responsibility – exception.**
 - A. It is understood and agreed Town shall have no responsibility whatsoever toward the firefighters or other emergency personnel including any employment related to issues such as training, supervision, performance reviews, discipline, compensation, benefits, insurance coverages, compliance with any employment related federal, state, and local laws and rules such as OSHA, ERISA, RLSA, FMLA, or any other employment related issues.
 - B. It is further agreed Town has no responsibility, beyond paying the agreed upon payment amount, for acquiring, operating, maintaining, housing, or replacing equipment as needed to provide the fire services described herein.

11. **Insurance Requirements.**
 - A. City shall maintain general liability insurance for its services and shall include Town as an additional insured for the term of this contract and any extensions.
 - B. City shall also maintain inland marine, automobile, and property insurance coverage.
 - C. City shall provide Town, upon request, proof of such insurance coverages and the endorsement naming the Town as an additional insured.

12. **No Waiver.** Nothing herein shall be construed to waive or limit any immunity from, or limitation on, liability available to either party, whether set forth in Minnesota Statutes Chapter 466 or otherwise.

13. **Termination.** This contract may be terminated at any time during its term by mutual agreement of the parties.
 - A. Either party may unilaterally terminate this agreement by personally serving a 120-day written notice of termination on the other party.
 - B. This agreement shall terminate 120 days from the date of personal service of the written termination notice unless the party serving the notice withdraws the notice in writing before it is effective.
 - C. If Town fails to pay for the service according to the schedule established herein, City may terminate this agreement 60 days from the date of personal service of written termination notice.
 - D. Notice to City shall be served on the City Administrator, or City Clerk if there is no City Administrator, and notice to Town shall be served on the Town Clerk.

14. **Fire Call Response.**
 - A. Fire calls shall be responded to in the order received unless the fire chief or other person in operational control of the fire department at the time fire calls come in, in that person's sole discretion, determines one or more fire calls be responded to out of order.
 - B. City will respond to all fire calls within the Town with suitable firefighting equipment and an appropriate number of members of the City fire department who will render all assistance possible in the saving of life and protection of property.

15. **Discretionary Authority of Fire Department Chief.**
 - A. The City Fire Chief or such other person with operational control of the fire department shall have the discretion to retain in the City such equipment and personnel as may be considered by that person necessary for the proper and adequate protection of persons and property in the City, and shall dispatch for the protection of the Town only such personnel and equipment in response to fire calls as the chief or other person in charge determines can be safely dispatched by the City, considering the needs and responsibilities of the fire department for the protection of the City and other towns served by the fire department.
 - B. In case of an emergency in the City or other towns serviced by the fire department, the Chief or other person in charge at the time shall have the discretion to recall to the City or other towns served by the fire department, such equipment and personnel as may be considered necessary to meet said emergency.

16. **Weather and Road Conditions.** It is acknowledged and understood by City and Town that weather and road conditions will vary during the year and, at times, will interfere in the rendering of the services contemplated by this contract and that in the event such conditions prevent the City from fulfilling its obligations, said failure shall not constitute a

breach of this contract. A determination of whether such weather and road conditions render the provision of fire services impossible or unacceptably dangerous shall be made at the sole discretion of the City Fire Chief or such other person as may be in operational control of the fire department at the time such conditions occur.

17. **Indemnification.**

- A. City agrees to defend and indemnify Town against any claims brought or actions filed against Town or any officer, employee, or volunteer of Town for injury to, death of, or damage to the property of any third person or persons, arising from City's performance under this contract for services.
- B. Under no circumstances, however, shall City be required to pay on behalf of itself and Town, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party.
- C. The limits of liability for City and Town may not be added together to determine the maximum amount of liability for City.
- D. The intent of this section is to impose on City a limited duty to defend and indemnify Town for claims arising out of the performance of this contract subject to the limits of liability under Minnesota Statutes Chapter 466.
- E. The purpose of creating this duty to defend and indemnify is to simplify claims by eliminating conflicts between the parties and to permit liability claims against both parties from a single occurrence to be defended by a single attorney.

18. **Dispute Resolution.** All disputes regarding the interpretation, implementation, or any other aspect of this contract shall be referred first to the City Administrator for resolution. If the City Administrator is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to the City Council. If the City Council is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to binding arbitration. The arbitrators shall be selected from the Minnesota Supreme Court's list of qualified neutrals. City and Town shall each select an arbitrator and the arbitrators shall then, at their sole discretion, select a third arbitrator to ensure that a tie vote does not occur.

19. **Service Contract.** This is a service contract. The parties do not intend to undertake or create, and nothing herein shall be construed as creating a joint powers agreement, joint venture, or joint enterprise between the parties.

20. **Minnesota Law Governs.** This contract shall be governed by and construed in accordance with the internal laws of the State of Minnesota. All proceedings related to this contract shall be venued in the County of Wadena.

21. **Severability.** The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this contract.

22. **Complete Agreement.** This writing contains the entire agreement between the parties and no alterations, variations, modifications, or waivers of the provisions of this agreement are valid unless reduced to writing, signed by both City and Town, and attached to this document.

In witness whereof, the parties have executed this contract effective on indicated effective date.

City of Menahga

Huntersville Township

Mayor

Chairperson

Printed Name

Printed Name

Date

Date

Administrator

Clerk



City of Menahga

2018 Contract Amount

2017 City of Menahga Fire Department Budget Information:

2017 City of Menahga Fire Department Budget (Actual):	\$ 113,478.01
City of Menahga Budget Responsibility – 51%	\$ 57,873.79
Budget Applied to Township Contracts – 49%	\$ 55,604.23

Tax Capacities (same capacities used for the 2018 estimate):

Entity:	Tax Capacity
City of Menahga	\$ 540,574
Blueberry Township	\$ 829,988
Huntersville Township	\$ 205,240
Shell River Township	\$ 343,038
Total Township Tax Capacity:	\$ 1,378,266

Township Percentages and Amount Due from each Township:

Township	Township Total Tax Capacity Percentage	Multiplied by Township Budget Portion	Township Contract Portion
Blueberry	60.2%	X \$ 55,604.23	\$ 33,484.71
Huntersville	14.9%	X \$ 55,604.23	\$ 8,280.12
Shell River	24.9%	X \$ 55,604.23	\$ 13,839.39
	100%		\$ 55,604.23



City of Menahga

2019 Estimated Fire Contract Amount

2018 City of Menahga Fire Department Budget Information:

2018 City of Menahga Fire Department Budget:	\$ 112,487.51
City of Menahga Budget Responsibility – 51%	\$ 57,368.63
Budget Applied to Township Contracts – 49%	\$ 55,118.88

Tax Capacities (capacities provided by County on January 30, 2018):

Entity:	Tax Capacity
City of Menahga	\$ 566,048
Blueberry Township	\$ 865,357
Huntersville Township	\$ 207,068
Shell River Township	\$ 360,404
Total Township Tax Capacity:	\$ 1,432,829

Township Percentages and Amount Due from each Township:

Township	Township Total Tax Capacity Percentage	Multiplied by Township Budget Portion	Township Contract Portion
Blueberry	60.4%	X \$ 55,118.88	\$ 33,289.04
Huntersville	14.5%	X \$ 55,118.88	\$ 7,965.61
Shell River	25.2%	X \$ 55,118.88	\$ 13,864.23
	100%		\$ 55,118.88

Fire Contract Calculation Information

	2016 Actual	2016 Contract	2017 Adopted City Budget	2017 Actual	2018 Contract - Actual	2018 Adopted City Budget	2019 Contract - Estimated
42200 Fire Department Expenses:							
Salaries	\$ 13,265.00	\$ 13,500.00	\$ 13,500.00	\$ 13,355.00	\$ 13,355.00	\$ 13,500.00	\$ 13,500.00
Admin Salaries	\$ 2,350.00	\$ 2,350.00	\$ 1,300.00	\$ 1,300.44	\$ 1,300.44	\$ 2,200.00	\$ 2,200.00
Social Security	\$ 822.43	\$ 800.00	\$ 800.00	\$ 828.01	\$ 828.01	\$ 800.00	\$ 800.00
Medicare	\$ 192.38	\$ 200.00	\$ 200.00	\$ 193.69	\$ 193.69	\$ 200.00	\$ 200.00
Operating Supplies	\$ 6,922.69	\$ 3,000.00	\$ 3,000.00	\$ 7,639.15	\$ 7,639.15	\$ 3,000.00	\$ 3,000.00
Motor Fuels & Lubricants	\$ 1,993.47	\$ 3,500.00	\$ 3,500.00	\$ 1,969.29	\$ 1,969.29	\$ 3,500.00	\$ 3,500.00
Professional Medical Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair & Maintenance	\$ 9,232.98	\$ 10,000.00	\$ 10,000.00	\$ 9,601.78	\$ 9,601.78	\$ 10,000.00	\$ 10,000.00
Less insurance reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone/Fax	\$ 565.82	\$ 500.00	\$ 500.00	\$ 555.63	\$ 555.63	\$ 500.00	\$ 500.00
Travel & Conference	\$ 10,908.95	\$ 2,000.00	\$ 7,850.00	\$ 9,569.63	\$ 9,569.63	\$ 2,532.00	\$ 2,532.00
Less travel reimbursement	\$ (8,908.95)	\$ -	\$ (7,810.00)	\$ 9,798.00	\$ (9,798.00)	\$ (2,532.00)	\$ (2,532.00)
Printing & Publishing	\$ -	\$ 100.00	\$ 100.00	\$ 63.00	\$ 63.00	\$ 100.00	\$ 100.00
Dues and Subscriptions	\$ 242.00	\$ 150.00	\$ 150.00	\$ 242.00	\$ 242.00	\$ 150.00	\$ 150.00
Licenses & Permits	\$ 160.00	\$ 250.00	\$ 250.00	\$ 10.00	\$ 10.00	\$ 250.00	\$ 250.00
Depreciation	\$ 57,474.43	\$ 36,372.09	\$ 57,294.03	\$ 58,506.79	\$ 56,903.17	\$ 55,299.55	\$ 54,904.11
Total:	\$ 95,221.20	\$ 72,722.09	\$ 90,634.03	\$ 113,632.41	\$ 92,432.79	\$ 89,499.55	\$ 89,104.11
41940 Unallocated Government Building Expenses:							
	2016 Actual*	2016 Contract **	2017 Adopted City Budget*	2017 Actual*	2018 Contract**	2018 Adopted City Budget*	2019 Contract**
Operating Supplies	\$ 2,611.89	\$ 288.00	\$ 1,850.00	\$ 1,487.25	\$ 371.81	\$ 1,850.00	\$ 462.50
Repair & Maintenance	\$ 3,018.42	\$ 2,100.00	\$ 3,500.00	\$ 11,418.98	\$ 6,851.39	\$ 7,000.00	\$ 4,200.00
Electric Utilities	\$ 7,678.21	\$ 3,062.00	\$ 8,750.00	\$ 6,283.14	\$ 2,199.10	\$ 7,500.00	\$ 2,625.00
Water/Sewer Utilities	\$ 1,964.77	\$ 700.00	\$ 2,000.00	\$ 1,493.89	\$ 522.86	\$ 1,500.00	\$ 525.00
Gas Utilities	\$ 2,117.88	\$ 1,750.00	\$ 3,000.00	\$ 2,277.66	\$ 797.18	\$ 3,000.00	\$ 1,050.00
Garbage Services	\$ 870.48	\$ 175.00	\$ 750.00	\$ 882.48	\$ 220.62	\$ 750.00	\$ 187.50
Cleaning Services	\$ 1,174.65	\$ 160.00	\$ 900.00	\$ 1,551.30	\$ 310.26	\$ 900.00	\$ 180.00
	Less amount paid by City for parking improvements (\$3,500 x 51%):				\$ (1,785.00)		
Total:	\$ 19,436.30	\$ 8,235.00	\$ 20,750.00	\$ 25,394.70	\$ 9,488.22	\$ 22,500.00	\$ 9,230.00
49200 Unallocated Expenditures:							
	2016 Actual*	2016 Contract **	2017 Adopted City Budget*	2017 Actual*	2018 Contract **	2018 Adopted City Budget*	2019 Contract**
Liability/Property	\$ 17,674.66	\$ 7,850.00	\$ 28,000.00	\$ 25,169.00	\$ 2,755.00	\$ 28,000.00	\$ 3,591.00
Auto Insurance	\$ 6,225.00		\$ 7,000.00	\$ 6,459.00	\$ 3,642.00	\$ 7,000.00	\$ 4,370.40
Workers Comp Insurance	\$ 20,178.00	\$ 3,834.00	\$ 32,000.00	\$ 37,093.00	\$ 5,160.00	\$ 40,000.00	\$ 6,192.00
Total:	\$ 44,077.66	\$ 11,684.00	\$ 67,000.00	\$ 68,721.00	\$ 11,557.00	\$ 75,000.00	\$ 14,153.40
Grand total:	\$ 158,735.16	\$ 92,641.09	\$ 178,384.03		\$ 113,478.01	\$ 186,999.55	\$ 112,487.51

*City-wide total

**Fire Department Contract Portion

2017 Fire Calls

Mutual Aid	
Sebeka	8
Park Rapids	4
Wolf Lake	
Township	
BlueBerry	1
Shell River	
Huntersville	5
Menahga City	12
Medical Assist	4
Car Accident	5

First National Bank Menahga - Money Markets

<u>Account</u>	<u>Account Name</u>	<u>Transactions</u>	<u>Amount per Bank</u>	<u>Bank Account No.</u>
101-01151	FIRE DEPT EQUIPMENT	217,945.00	Beginning 2017	
101-01151	FIRE DEPT EQUIPMENT	105.09	Interest Jan 2017	\$218,050.09
101-01151	FIRE DEPT EQUIPMENT	92.00	Interest Feb 2017	\$218,142.09
101-01151	FIRE DEPT EQUIPMENT	101.90	Interest Mar 2017	\$218,243.99
101-01151	FIRE DEPT EQUIPMENT	55,607.74	Transfer 1st Qtr.	\$273,851.73
101-01151	FIRE DEPT EQUIPMENT	95.43	Interest Apr 2017	\$273,947.16
101-01151	FIRE DEPT EQUIPMENT	136.22	Interest May 2017	\$274,083.38
101-01151	FIRE DEPT EQUIPMENT	123.90	Interest Jun 2017	\$274,207.28
101-01151	FIRE DEPT EQUIPMENT	127.63	Interest Jul 2017	\$274,334.91
101-01151	FIRE DEPT EQUIPMENT	(2,788.67)	Transfer 2nd Qtr	\$271,546.24
101-01151	FIRE DEPT EQUIPMENT	126.85	Interest Aug 2017	\$271,673.09
101-01151	FIRE DEPT EQUIPMENT	118.72	Interest Sep 2017	\$271,791.81
101-01151	FIRE DEPT EQUIPMENT	(5,983.41)	Transfer 3rd Qtr	\$265,808.40
101-01152	FIRE DEPT EQUIPMENT	129.97	Interest Oct 2017	\$265,938.37
101-01151	FIRE DEPT EQUIPMENT	120.22	Interest Nov 2017	\$266,058.59
101-01152	FIRE DEPT EQUIPMENT	(21,112.50)	Transfer Loan Payment	\$244,946.09
101-01151	FIRE DEPT EQUIPMENT	108.31	Interest Dec 2017	\$245,054.40
101-01151	FIRE DEPT EQUIPMENT	-		\$245,054.40
101-01151	FIRE DEPT EQUIPMENT	<u>245,054.40</u>	Ending 2017	<i>MM # 881508 FNB</i>

		ACTUAL				
		BILLED	RECEIVED	Transferred		
TRANSFERS IN TO MM Account TO BE MADE:						
	2017 DEPRECIATION	-			101-01151	
	2016 FIRE CALLS	-	\$ 4,770.00	\$ 4,770.00	\$ 1,980.00	101-01151
	2017 FIRE CALLS	600.00	4,780.00	3,980.00	3,980.00	101-01151
	Transferred separately	21,112.50				
TRANSFERS OUT FROM MM Account TO BE MADE:						
	PRINCIPLE/INTEREST FOR FIRE TRUCK	(21,112.50)				101-01151
						101-01151
						101-01151
			Net Transfer			Check Payable to First Nat'l Bank
			600.00			
	NET AFTER ADJUSTMENTS	<u>245,654.40</u>				

FIRE DEPARTMENT DEPRECIATION SCHEDULE

1/11/2018

Description	Dept	Year Acquired	Purchase Price	Deprec. Life	2015		2016		2017		2018		2019		2020	
					Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.	Deprec. Exp.	Accum. Deprec.
EQUIPMENT																
Jaws of Life - Fire	Fire	1994	15,783.00	15 yrs		-		-		-		-		-		-
1985 Tanker Light - Fire #10	Fire	2001	2,706.00	15 yrs	180.40	2,525.60	180.40	2,706.00								
1995 Ford Truck - Pumper #14	Fire	2005	228,625.00	15 yrs	15,241.66	152,416.60	15,241.66	167,658.26	15,241.66	182,899.92	15,241.66	198,141.58	15,241.66	213,383.24	15,241.66	228,624.90
Turnout Gear (21)	Fire	2006	40,856.00	10 yrs	4,085.60	40,856.00										
SCBA Gear (15)	Fire	2006	69,094.00	10 yrs	6,909.40	69,094.00										
Pagers, Batteries, Chargers (4)	Fire	2009	2,218.64	5 yrs	-											
Jaws - Rescue Pkg.	Fire	2009	18,364.50	15 yrs	1,224.30	8,570.10	1,224.30	9,794.40	1,224.30	11,018.70	1,224.30	12,243.00	1,224.30	13,467.30	1,224.30	14,691.60
Air Compressor	Fire	2009	32,072.39	10 yrs	3,207.24	22,450.68	3,207.24	25,657.92	3,207.24	28,865.16	3,207.24	32,072.40				
06 Grass Rig Truck #16	Fire	2010	21,085.00	15 yrs	1,405.68	8,434.03	1,405.68	9,839.71	1,405.68	11,245.39	1,405.68	12,651.07	1,405.68	14,056.75	1,405.68	15,462.43
Freightliner Tanker Truck #8	Fire	2011	193,634.00	15 yrs	12,908.93	64,547.65	12,908.93	77,456.58	12,908.93	90,365.51	12,908.93	103,274.44	12,908.93	116,183.37	12,908.93	129,092.30
2013 ATV Polaris	Fire	2013	11,750.00	15 yrs	783.00	1,566.00	783.00	2,349.00	783.00	3,132.00	783.00	3,915.00	783.00	4,698.00	783.00	5,481.00
1992 Ford HazMat Truck #	Fire	2014	5,500.00	15 yrs.	367.00	734.00	367.00	1,101.00	367.00	1,468.00	367.00	1,835.00	367.00	2,202.00	367.00	2,569.00
2006 Ford F350 Pickup #17	Fire	2014	5,300.00	15 yrs.	353.00	706.00	353.00	1,059.00	353.00	1,412.00	353.00	1,765.00	353.00	2,118.00	353.00	2,471.00
Discharge Chute/Diamond Plate Boxes	Fire	2015	3,954.41	5 yrs	790.88	790.88	790.88	1,581.76	790.88	2,372.64	790.88	3,163.52	790.88	3,954.40		
Turnout Gear (23)	Fire	2016	75,492.36	10 yrs			7,549.24	7,549.24	7,549.24	15,098.47	7,549.24	22,647.71	7,549.24	30,196.95	7,549.24	37,746.19
SCBA Gear (20)	Fire	2016	125,255.00	10 yrs			12,525.50	12,525.50	12,525.50	25,051.00	12,525.50	37,576.50	12,525.50	50,102.00	12,525.50	62,627.50
Gear Washer	Fire	2016	4,688.00	5 yrs			937.60	937.60	937.60	1,875.20	937.60	2,812.80	937.60	3,750.40	937.60	4,688.00
Pagers; batteries 10 Minitor 4 Motorola	Fire	2017	6,063.80	5 yrs					1,212.76	1,212.76	1,212.76	2,425.52	1,212.76	3,638.28	1,212.76	4,851.04
			754,476.81		47,457.09	450,914.54	57,474.43	397,501.37	58,506.79	451,151.79	58,506.79	507,508.22	55,299.55	528,585.01	54,508.67	576,988.92

Total Fire 2014	46,666.21
Total Fire 2015	47,457.09
Total Fire 2016	57,474.43
Total Fire 2017	58,506.79
Total Fire 2018	58,506.79
Total Fire 2019	55,299.55
Total Fire 2020	54,508.67



City of Menahga
115 2nd Street NE • PO Box C
Menahga, MN 56464
218-564-4557
www.cityofmenahga.com

Fire Contract

The effective date of this contract between the City of Menahga ("City") and **Shell River Township** ("Town") is April 1, 2018.

In consideration of the mutual promises and agreements hereinafter set forth, the parties do hereby agree as follows:

1. **Fire Service.** City will provide fire protection services consisting of structural, other non-structural, grass/forest, vehicle, and equipment firefighting services; carbon monoxide call response; rescue services; emergency medical services; fire code enforcement; disaster response; and other services as agreed upon in writing, signed by City and Town.
2. **Hazardous Materials.**
 - A. The stated contract fee shall not cover services required for the cleanup, containment, or neutralization of any hazardous materials or petroleum product emergencies (as defined by the Minnesota Super Fund Act) occurring in Town including charges for equipment, personnel, and supplies, all of which shall be charged and invoiced by City or vendor of such services to the owner of the affected property at actual cost, as soon as practical after the response to such emergency is completed and shall be due and payable to City within 30 days of the date of the invoice.
 - B. Town shall indemnify and hold City harmless from any and all claims resulting from hazardous material or petroleum product emergency responses and procedures employed.
3. **Payment.**
 - A. Town agrees to pay City on or before the effective date of this contract and on the anniversary of this contract.
 - B. Any contract not paid in full by anniversary date of April 1, will receive a 3% late penalty fee per month.
 - C. The payment amount is the Town's contract amount for the 2018 year is \$13,839.39, and the estimated amount for the 2019 year is \$13,864.23.
4. **Annual Meeting of Parties.**
 - A. Town and City shall hold at least one joint meeting annually, on the third Thursday in February, during the term of this contract to discuss issues either party deems relevant to this contract.
 - B. The meeting shall be held separately from any regular Town or City meeting and shall be attended by a duly authorized subcommittee of each party's governing body.
 - C. At the annual meeting immediately preceding the termination date of each contract period, the renewal contract will be presented showing the payment amount of the coming contract period.

5. **Service Territory.** City shall provide fire services as indicated in this contract to the area in Town as indicated on the attached map and made part of this contract. The identified area shall constitute the Town's Service Territory for purposes of this contract.
6. **Term.** This contract shall commence on the effective date indicated above and shall expire two years from that date unless terminated earlier as provided herein.
7. **Ownership.** City owns the buildings and equipment associated with the Fire Department and the amounts paid by Town not give rise to any ownership, interest in, or responsibility toward, those items.
8. **City's Responsibilities.** In addition to any other described obligations, City shall:
 - A. Authorize and direct the City fire department to provide the fire services described herein to Town's Service Territory;
 - B. Develop a detailed annual operational budget for the fire department for each year during the term of this contract by the Anniversary Date and present it to Town along with sufficient information to explain the items included in the budget figures;
 - C. Upon Town's request, provide Town access to financial and cost data related to the fire department for five years prior to the current service year;
 - D. Disclose to Town any proposed action City or the fire department intends to take that can reasonably be expected to affect the Insurance Services Office Fire Protection Grade in the Service Territory or City's ability to provide the fire services indicated above; and
 - E. Promptly disclose to Town any information City can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
9. **Town's Responsibilities.** In addition to any other obligations described herein, Town shall:
 - A. Pay City, the payment amount indicated above for the year of service within 30 days of the date City requests payments (i.e. the date on the invoice or bill);
 - B. Present a budget and levy proposal to the town electors at each annual town meeting during the term of this contract seeking authority to levy funds as needed to pay the payment amount; and
 - C. Promptly disclose to City any information Town can reasonably anticipate will directly affect its ability to perform its obligations under this contract.
10. **Town's Responsibility – exception.**
 - A. It is understood and agreed Town shall have no responsibility whatsoever toward the firefighters or other emergency personnel including any employment related to issues such as training, supervision, performance reviews, discipline, compensation, benefits, insurance coverages, compliance with any employment related federal, state, and local laws and rules such as OSHA, ERISA, RLSA, FMLA, or any other employment related issues.
 - B. It is further agreed Town has no responsibility, beyond paying the agreed upon payment amount, for acquiring, operating, maintaining, housing, or replacing equipment as needed to provide the fire services described herein.

11. **Insurance Requirements.**
 - A. City shall maintain general liability insurance for its services and shall include Town as an additional insured for the term of this contract and any extensions.
 - B. City shall also maintain inland marine, automobile, and property insurance coverage.
 - C. City shall provide Town, upon request, proof of such insurance coverages and the endorsement naming the Town as an additional insured.

12. **No Waiver.** Nothing herein shall be construed to waive or limit any immunity from, or limitation on, liability available to either party, whether set forth in Minnesota Statutes Chapter 466 or otherwise.

13. **Termination.** This contract may be terminated at any time during its term by mutual agreement of the parties.
 - A. Either party may unilaterally terminate this agreement by personally serving a 120-day written notice of termination on the other party.
 - B. This agreement shall terminate 120 days from the date of personal service of the written termination notice unless the party serving the notice withdraws the notice in writing before it is effective.
 - C. If Town fails to pay for the service according to the schedule established herein, City may terminate this agreement 60 days from the date of personal service of written termination notice.
 - D. Notice to City shall be served on the City Administrator, or City Clerk if there is no City Administrator, and notice to Town shall be served on the Town Clerk.
 - E. In the event contract is terminated and Town has made the agreed upon contract payment, City shall reimburse to Town a prorated amount equal to the months remaining on the contract.

14. **Fire Call Response.**
 - A. Fire calls shall be responded to in the order received unless the fire chief or other person in operational control of the fire department at the time fire calls come in, in that person's sole discretion, determines one or more fire calls be responded to out of order.
 - B. City will respond to all fire calls within the Town with suitable firefighting equipment and an appropriate number of members of the City fire department who will render all assistance possible in the saving of life and protection of property.

15. **Discretionary Authority of Fire Department Chief.**
 - A. The City Fire Chief or such other person with operational control of the fire department shall have the discretion to retain in the City such equipment and personnel as may be considered by that person necessary for the proper and adequate protection of persons and property in the City, and shall dispatch for the protection of the Town only such personnel and equipment in response to fire calls as the chief or other person in charge determines can be safely dispatched by the City, considering the needs and responsibilities of the fire department for the protection of the City and other towns served by the fire department.
 - B. In case of an emergency in the City or other towns serviced by the fire department, the Chief or other person in charge at the time shall have the discretion to recall to the City or other towns served by the fire department, such equipment and personnel as may be considered necessary to meet said emergency.

16. **Weather and Road Conditions.** It is acknowledged and understood by City and Town that weather and road conditions will vary during the year and, at times, will interfere in the rendering of the services contemplated by this contract and that in the event such conditions prevent the City from fulfilling its obligations, said failure shall not constitute a breach of this contract. A determination of whether such weather and road conditions render the provision of fire services impossible or unacceptably dangerous shall be made at the sole discretion of the City Fire Chief or such other person as may be in operational control of the fire department at the time such conditions occur.
17. **Indemnification.**
 - A. City agrees to defend and indemnify Town against any claims brought or actions filed against Town or any officer, employee, or volunteer of Town for injury to, death of, or damage to the property of any third person or persons, arising from City's performance under this contract for services.
 - B. Under no circumstances, however, shall City be required to pay on behalf of itself and Town, any amounts in excess of the limits on liability established in Minnesota Statutes Chapter 466 applicable to any one party.
 - C. The limits of liability for City and Town may not be added together to determine the maximum amount of liability for City.
 - D. The intent of this section is to impose on City a limited duty to defend and indemnify Town for claims arising out of the performance of this contract subject to the limits of liability under Minnesota Statutes Chapter 466.
 - E. The purpose of creating this duty to defend and indemnify is to simplify claims by eliminating conflicts between the parties and to permit liability claims against both parties from a single occurrence to be defended by a single attorney.
18. **Dispute Resolution.** All disputes regarding the interpretation, implementation, or any other aspect of this contract shall be referred first to the City Administrator for resolution. If the City Administrator is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to the City Council. If the City Council is unable to resolve one or more issues, the unresolved issue or issues shall be submitted to binding arbitration. The arbitrators shall be selected from the Minnesota Supreme Court's list of qualified neutrals. City and Town shall each select an arbitrator and the arbitrators shall then, at their sole discretion, select a third arbitrator to ensure that a tie vote does not occur.
19. **Service Contract.** This is a service contract. The parties do not intend to undertake or create, and nothing herein shall be construed as creating a joint powers agreement, joint venture, or joint enterprise between the parties.
20. **Minnesota Law Governs.** This contract shall be governed by and construed in accordance with the internal laws of the State of Minnesota. All proceedings related to this contract shall be venued in the County of Wadena.
21. **Severability.** The provisions of this contract shall be deemed severable. If any part of this contract is rendered void, invalid, or otherwise unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this contract.
22. **Complete Agreement.** This writing contains the entire agreement between the parties and no alterations, variations, modifications, or waivers of the provisions of this agreement are valid unless reduced to writing, signed by both City and Town, and attached to this document.

In witness whereof, the parties have executed this contract effective on indicated effective date.

City of Menahga

Shell River Township

Mayor

Chairperson

Printed Name

Printed Name

Date

Date

Administrator

Clerk