

**CONTRACT FOR FIRE DEPARTMENT SERVICES
BETWEEN THE
CITY OF FRANKFORT
AND
CRYSTAL LAKE TOWNSHIP**

This contract is made this 1st day of April, 2015, between the City of Frankfort (City), a Michigan municipal corporation located in Benzie County, and Crystal Lake Township, (Township), also located in Benzie County.

1. RECITALS

The City owns and operates a fire department (Department), and the Township has requested that this Department extend service to the Township. The City has agreed to extend such service on the terms and conditions set forth below. Therefore, pursuant to MCL 41.801 and MCL 41.810, the City and Township agree as follows:

2. BASIC AGREEMENT

The City shall furnish to the Township, upon call from a resident, property owner, or authorized representative of the Township, Department service for the protection of buildings and property within the Township. The number of Department firefighters and the number and types of Department firefighting equipment and vehicles responding to such call shall at all times be within the discretion of the City Fire Director or his designated representative.

3. SIMULTANEOUS OR MULTIPLE FIRES; OTHER EMERGENCIES; PRIORITIES; HOLD-HARMLESS CLAUSE

If two or more calls for Department service are received simultaneously, or if a call for Department service is received during a response to a previous call for service or during the actual fighting of any fire, the City Fire Director or his designated representative shall assign priority service to calls within the City limits. In accordance with this priority, the City Fire Director or his designated representative may recall firefighters or fire apparatus for service within the City. When multiple calls for service do not require application of this municipal priority, the City Fire Director or his designated representative shall have sole discretion as to the priority of such calls, including the timing and degree of personnel and apparatus response.

It is agreed by the City and Township that neither the City Fire Director, the City, nor any City agent or employee, shall be liable to the Township or any resident or property owner thereof, for property damage or personal injury arising out of the manner in which Department service is allocated to multiple calls or emergencies.

4. COMPENSATION FOR SERVICE; FORMULA FOR DETERMINING COMPENSATION

For twelve months of fire department service, the Township shall pay the City the sum of Sixty Thousand, Sixty-two Dollars and Sixty-nine Cents (\$60,062.69) in

quarterly installments beginning April 1, 2015. This sum is non-refundable and shall be considered fully earned upon execution of this Agreement.

This sum was calculated using the following formula adopted by the Fire Advisory Board:

- A. Population Factor. The populations (according to the 2010 decennial census) of all participating governmental units* were totaled, and each unit's percentage of that total population calculated to four decimal places.
- B. SEV Factor. All participating governmental units' weighted SEVs (improved properties were weighted twice as much as Unimproved properties) from the previous calendar year were totaled, and each unit's percentage of that total calculated to four decimal places.
- C. Usage Factor. The total number of weighted fire calls** by all participating governmental units for the three previous calendar years were totaled, and each unit's percentage of that total calculated to four decimal places.
- D. Contract Amount Calculation. Each individual participating governmental unit's three factors -- population, SEV, and Usage -- were totaled, and then multiplied by 33.33%. The City's fire department budget for the current fiscal year will then be multiplied by this product to yield the amount inserted in the first paragraph of this section of the Agreement.

A copy of the complete formula adopted by the Fire Advisory Board for all participating governmental units is attached as Exhibit A.

5. ADMINISTRATION

All budgeting, personnel issues, training, equipment and repairs, record keeping and maintenance will be administered by the City per the approval of the Fire Advisory Board with concurrence of the Frankfort City Council.

6. FUND BALANCE

It is the understanding of all government agencies that excess fund balance, if any, remaining at the end of the fiscal year of the City will remain in the fire fund to be utilized for the benefit of the Frankfort City Fire Department.

7. RENTAL OF FIRE STATIONS

a. Village of Elberta Station

The City will agree to pay \$250.00 per month in rent to the Village of Elberta for the use of the Village of Elberta's Fire Station. Further, the City has

* "All participating governmental units" includes the City.

** Fire Calls were classified into Class I, Class II and Class III calls, depending on how many fire department resources were needed to respond to the call. A Class II call was counted twice as much as a Class I call. A Class III call -- a structure fire -- was weighted triple a Class I call.

agreed to pay ½ of the utilities for the community building/fire station located in the Village of Elberta. The City and Village will split the cost of the following utilities: insurance, gas, electric, and sewer/water.

- **Lake Township Fire Station**

The City will agree to pay \$250.00 per month in rent to Lake Township for the use of the Lake Township Fire Station. Further, the City has agreed to pay ½ of the utilities for the community building/fire station located in Lake Township. The City and Lake Township will split the cost of the following utilities: insurance, gas, electric, and sewer/water.

- **Frankfort City Fire Station**

It is the understanding of the Fire Advisory Board that Limited Tax Capital Improvement Bonds, Series 2005 in the amount of \$390,000.00 was secured by the City of Frankfort in order to be utilized toward the construction of the new Frankfort City Fire Station. The term of the bond will be fifteen years (15) at an average interest rate of 4.508%. It is agreed that the re-payment of this bond will be made by the City with revenue generated through contract services from each participating government entity, including the City. The percentage of cost share for each government entity, including the City, is factored utilizing the "Compensation for Services Formula" as defined under Section 4 of this contract. It is further understood by the Fire Advisory Board and the Frankfort City Council that this expenditure line item is defined as "rent" for the facility and upon full re-payment of the loan at the end of the fifteen (15) year term all charges associated as rent and/or capital outlay expenditures for the Frankfort City Fire Station will be ceased in perpetuity. However, it is agreed that all costs associated with utilities, insurances and maintenance upkeep will remain as an operating expenditure.

A copy of the debt schedule regarding the Limited Tax General Obligation Bonds, Series 2005 in the amount of \$390,000.00 for a term of fifteen years (15) is attached as Exhibit B.

8. NON-EXCLUSIVE SERVICE; HOLD-HARMLESS CLAUSE

The Township agrees that the City may contract with other political subdivisions for the purpose of supplying Department service or mutual aid, and that neither the execution of, nor performance under, any such obligation shall be deemed a breach of this Agreement. If Department service is simultaneously required in the Township and another political subdivision to which the City is obligated to provide Department service, the Township agrees that the City, its agents and employees, are held harmless for an inadequate or untimely response to a service call within the Township, when this inadequate or untimely response is attributable to a call for service from another political subdivision to whom the City is obligated to provide Department service.

9. TERM; EXECUTION OF DUPLICATE

This contract shall commence on this 1st day of April, 2015, and shall continue for a period of one (1) year.

The City and Township have executed this Agreement in duplicate by their authorized officers on the dates set forth below.

**CITY OF FRANKFORT
BENZIE COUNTY, MICHIGAN**

Dated: _____

By: _____
Robert J. Johnson, Mayor

Dated: _____

By: _____
Kimberly K. Kidder, Clerk

**CRYSTAL LAKE TOWNSHIP
BENZIE COUNTY, MICHIGAN**

Dated: _____

By: _____
Amy Ferris, Supervisor

Dated: _____

By: _____
_____, Clerk