Minutes – Executive Policy Committee – December 4, 2013

Minute No. 45
Report – Standing Policy Committee on Protection and Community Services – December 2, 2013

Item No. 1 Renewal of Fire Protection Services Agreement with Border Chemical Company Limited

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection and Community Services and submitted the following to Council:

1. That the City enter into a service provision agreement with Border Chemical Company Limited for fire protection services for the property located at 595 Gunn Road in the Rural Municipality of Springfield.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the service provision agreement, in accordance with the terms and conditions set forth in this report and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Minutes – Executive Policy Committee – December 4, 2013

Report – Standing Policy Committee on Protection and Community Services – December 2, 2013

DECISION MAKING HISTORY:

The Chairperson called Councillor Nordman to the Chair in order to move the following motions:

Moved by His Worship Mayor Katz,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Carried

Moved by His Worship Mayor Katz,

That the recommendation of the Standing Policy Committee on Protection and Community Services be concurred in and forwarded to Council.

Carried

His Worship Mayor Katz resumed the Chair.

STANDING COMMITTEE RECOMMENDATION:

On December 2, 2013, the Standing Policy Committee on Protection and Community Services concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: RENEWAL OF FIRE PROTECTION SERVICES AGREEMENT WITH BORDER CHEMICAL COMPANY LIMITED

Critical Path: Standing Policy Committee on Protection & Community Services – Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Clark	B. Clark	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

1. That the City enter into a service provision agreement with Border Chemical Company Limited for fire protection services for the property located at 595 Gunn Road in the Rural Municipality of Springfield.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the service provision agreement, in accordance with the terms and conditions set forth in this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required for the multi-year contract between the City of Winnipeg and Border Chemical Company Limited for the provision of fire protection services outside City limits.

IMPLICATIONS OF THE RECOMMENDATIONS

There would be no appreciable increase in departmental costs to provide this service as WFPS estimates that this service can be provided with existing resources. Additional revenue would be received in the amount of the negotiated contract.

HISTORY

On March 22, 2000 Council directed the Administration to divest itself of contracts for the provision of fire protection services outside the City of Winnipeg except for fire protection services to Border Chemical's property at 595 Gunn Road in the R.M. of Springfield and one other location that was approved by Council.

On January 24, 2003 the Chief Administrative Officer approved a formal agreement for fire protection services between the City of Winnipeg and Border Chemical Company Limited.

The City of Winnipeg entered into an agreement with Border Chemical to provide fire protection services to their facility located at 595 Gunn Road on January 1, 2003 for a term of 60 months.

On November 19, 2008 Council authorized the WFPS to renew the formal agreement for fire protection services with Border Chemical Company Limited for the property located at 595 Gunn Road in the Rural Municipality of Springfield. The existing formal agreement had lapsed, however, verbal agreement between the parties was made to extend the contract. The contract was renewed effective January 1, 2008 for a term of 60 months, expiring on December 31, 2013.

Due to the nature of the business conducted at the Border Chemical plant and its proximity to the City of Winnipeg boundary, Winnipeg Fire Paramedic Service resources would be utilized to mitigate any major incident on that property. The formal agreement allows the WFPS to be compensated for the provision of this service.

The WFPS already provides emergency medical response to the Border Chemical property as it lies within the boundaries for ambulance service.

Subject to Council approval WFPS has negotiated the terms and conditions of the renewal agreement with Border Chemical Company Limited. Following is a summary of the terms and conditions:

Term	• January 1, 2014 to December 31, 2018 • The City may terminate the agreement upon one year's notice in writing should Council determine that the City will no longer provide fire protection services within the boundaries of the City.
Services	WFPS shall provide emergency services to Border Chemical related to all types of fires including vehicle fires and grass fires which threaten Border Chemical property at the Gunn Road facility.
Payment	• Border Chemical shall pay an annual stand-by charge of $24,000.00, which can be paid in two installments of $12,000.00 each on or before January 1 and July 1 in each year of the agreement. • Standard charges calculated from the time each call is received until the time the apparatus is back in service will be based on the following and shall be paid within 30 days of the invoice from the City: o Engine Company $955.00 per hour o Aerial Ladder Company $955.00 per hour o Rescue Company $955.00 per hour o District Chief & Driver $239.00 per hour • The above standard charges are based on the submitted 2014 Fees and Charges Schedule. These charges will increase annually based on the Fees

	and Charges Schedule approved by Council annually. • The reasonable cost of any supplies used by the City for the purpose of providing fire protection services to the Gunn Road facility. • Any applicable GST.
Renewal	• Border Chemical shall give notice in writing of its intention to renew not less than 12 months prior to the end of the term. • Any renewal is subject to City Council approval.
Indemnity	• The City agrees to indemnify Border Chemical from any and all losses, claims, damages, causes of action, demands or liabilities related to this agreement arising by virtue of o The breach or default of the City of any term o The negligence or willful misconduct of the City o Any claim resulting from any representative of the City, except as may be attributed to the negligence of willful misconduct of any representative of Border Chemical

FINANCIAL IMPACT

Financial Impact Statement **Date:** November 20, 2013

Project Name: **First Year of Program** **2014**

Renewal of Fire Protection Services Agreement with Border Chemical Company Limited

	2014	2015	2016	2017	2018
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	24,000	24,000	24,000	24,000	24,000
Net Cost/(Benefit)	$ (24,000)	$ (24,000)	$ (24,000)	$ (24,000)	$ (24,000)
Less: Existing Budget Amounts	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

There is no financial impact as WFPS is utilizing existing resources. The revenue shown above is the annual standby charge only, which is included in WFPS's operating budget. No estimate has been included for the standard charges as this is dependent on the number of calls received.

Original Signed by

J. Romaniuk, CGA
Manager of Finance
Winnipeg Fire Paramedic Service

CONSULTATION

In preparing this report there was consultation with:

Legal Services (as to legal issues)

SUBMITTED BY

Department	Winnipeg Fire Paramedic Service
Division	Administration
Prepared by:	Bill Clark, Acting Fire & Paramedic Chief
Date:	November 20, 2013
File No.	