Minutes – Executive Policy Committee – January 21, 2015

Report – Standing Policy Committee on Protection and Community Services – January 12, 2015

Item No. 1 Renewal of Fire Protection Services Agreement with Manitoba Public Insurance

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 of Winnipeg enter into a service provision agreement with Manitoba Public Insurance (MPI) for fire protection services for the property located at 1981 Plessis Road in the Rural Municipality of Springfield.

2. That Chief Administrative Officer be delegated the authority 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 – January 21, 2015

Report – Standing Policy Committee on Protection and Community Services – January 12, 2015

DECISION MAKING HISTORY:

Moved by Councillor Browaty,

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

Carried

STANDING COMMITTEE RECOMMENDATION:

On January 12, 2015, 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 Manitoba Public Insurance**

Critical Path: **Standing Policy Committee on Protection and Community Services – Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
Tom Wallace	John Lane	M. Ruta	D. Joshi

RECOMMENDATIONS

1. That the City enter into a service provision agreement with Manitoba Public Insurance (MPI) for fire protection services for the property located at 1981 Plessis 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 Manitoba Public Insurance for the provision of fire protection services outside City limits.

IMPLICATIONS OF THE RECOMMENDATIONS

1. No interruption in provision of fire protection services under existing contract.
2. No additional changes to response profile or resource deployment.
3. No financial implications for WFPS or the City of Winnipeg.
4. Terms of agreement represent full cost recovery.

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.

On November 21, 2001 Council amended its policy direction of March 22, 2000 and approved a formal agreement for fire protection services with Manitoba Public Insurance for the property located at 1981 Plessis Road in the Rural Municipality of Springfield.

The City of Winnipeg entered into an agreement with MPI to provide fire protection services to the MPI facility located at 1981 Plessis Road on October 23, 2002 for a term of 72 months.

Upon the expiration of this contract, a subsequent contract was entered into on October 23, 2008 for a term of 72 months, which expired on October 22, 2014.

A letter dated October 23, 2014 signed by the Acting Chief Administrative Officer of the City of Winnipeg and the Premises Manager of MPI confirms agreement of both parties for continued service provision for an “Interim Term” ending on December 10, 2014.

A letter dated December 9, 2014 signed by the Acting Chief Administrative Officer of the City of Winnipeg and the Premises Manager of MPI confirms agreement of both parties for continued service provision for an additional “Interim Term” ending on January 28, 2015.

Terms and conditions for a renewal agreement whereby the City would continue to provide fire protection services to the MPI facility located at 1981 Plessis Road have been negotiated by the parties.

While the October 23, 2008 contract involved the provision by MPI of a Rapid Response Vehicle in lieu of payments for fire protection services, MPI has expressed a desire to return to a payment schedule in exchange for service. Under the renewal agreement, it is proposed that MPI will provide annual payments of $30,831.00 in addition to fees for response outlined in the City of Winnipeg Schedule of Fees and Charges 2014.

Following is a summary of other key terms and conditions:

Term	• January 28, 2015 to January 28, 2019 • 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 outside the boundaries of the City.
Services	WFPS shall provide emergency services to Manitoba Public Insurance related to all types of fires including vehicle fires and grass fires which threaten MPI property at the Plessis Road facility.
Payment	• MPI shall pay an annual stand-by charge of $30,831.00, which can be paid on or before January 1 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 Plessis Road facility. • Any applicable GST.
Renewal	• Manitoba Public Insurance 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 Manitoba Public Insurance 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 MPI • The City will be seeking a reciprocal indemnity from MPI.

FINANCIAL IMPACT

Financial Impact Statement **Date:** December 11, 2014

Project Name: **First Year of Program** **2015**

Renewal of Fire Protection Services Agreement with Manitoba Public Insurance

	2015	2016	2017	2018	2019
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	28,262	30,831	30,831	30,831	2,569
Net Cost/(Benefit)	$ (28,262)	$ (30,831)	$ (30,831)	$ (30,831)	$ (2,569)
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (28,262)	$ (30,831)	$ (30,831)	$ (30,831)	$ (2,569)

Additional Comments:

Additional revenue resulting from the annual stand-by charge will accrue to the department. There are no additional costs associated with the stand-by. All response costs are charged in accordance with the Fees and Charges schedule in force at the time of an incident. 2015 and 2019 includes pro-rata stand-by revenue based on the start and end dates of the contract.

original signed by John Hall
John Hall ACMA, CGMA
Controller, Finance

CONSULTATION

In preparing this report there was consultation with:

Manitoba Public Insurance
Legal Services

SUBMITTED BY

Department: Winnipeg Fire Paramedic Service
Division: Administration
Prepared by: Tom Wallace
Date: *December 11, 2014*
File No.