Agenda – Council – September 20, 2018

Report – Standing Policy Committee on Protection, Community Services and Parks – September 11, 2018

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

STANDING COMMITTEE RECOMMENDATION:

On September 12, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks and submitted the following to Council:

1. That the City enter into, execute and deliver 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, and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the service provision agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions determined 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.

Report – Standing Policy Committee on Protection, Community Services and Parks – September 11, 2018

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 12, 2018, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection, Community Services and Parks and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 11, 2018, the Standing Policy Committee on Protection, Community Services and Parks 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 and Parks – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Reshaur	J. Lane	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

Since 2003 the Winnipeg Fire Paramedic Service (the "WFPS") has provided contracted fire protection service to Border Chemical Company Limited ("Border Chemical"), located at 595 Gunn Road, near the City of Winnipeg's eastern boundary in the RM of Springfield.

The current agreement between the City and Border Chemical (the "Agreement") expires on December 31, 2018 and is currently up for renewal.

The hazardous products contained within the Border Chemical facility make it possible that an emergency incident at that location would impact both citizens of Winnipeg and the RM of Springfield. For this reason, any major incident at this location may require a WFPS response.

The WFPS is best positioned to respond in a well-equipped and timely manner to incidents at Border Chemical's location. Renewal of the Agreement is in the best interests of Border Chemical, the local community and the citizens of Winnipeg.

RECOMMENDATIONS

1. That the City enter into, execute and deliver 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, and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Administrative Officer be authorized to negotiate and approve the terms and conditions of the service provision agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions determined 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.

REASON FOR THE REPORT

Council approval is required to enter into a multi-year agreement with 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 pursuant to the Agreement.

HISTORY/DISCUSSION

On March 22, 2000 Council directed the Public Service 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 (the "City") and Border Chemical Company Limited. The City entered into an agreement with Border Chemical to provide fire protection services to their facility located at 595 Gunn Road, effective January 1, 2003 with a term of 60 months (the "Agreement").

On November 19, 2008 Council approved renewal of the Agreement. The existing Agreement had lapsed; however, verbal agreement between the parties was made to extend the contract. The Agreement was renewed effective January 1, 2008 for a term of 60 months, and expired on December 31, 2013.

The Agreement was further renewed effective January 1, 2014 for a term of 60 months, which will expire on December 31, 2018.

Due to the nature of the business conducted at the Border Chemical facility and its proximity to the City of Winnipeg boundary, WFPS resources would be utilized to mitigate any major incident on that property. The 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 a renewal of the Agreement with Border Chemical Company Limited. Following is a summary of the proposed terms and conditions:

Term	• January 1, 2019 to December 31, 2023 • 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. • WFPS Fire Prevention Branch shall conduct fire inspections of the Gunn Road facility in accordance with the existing schedule for Industrial Occupancy Fire Inspections.
Payment	• Border Chemical shall pay an annual stand-by charge of $26,880.00 (2019 rate), which can be paid in two installments of 50% of the annual fee each on or before January 1 and July 1 in each year of the agreement. • The Annual Stand-By charge shall be subject to a 2% annual increase. • Standard apparatus response 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: **Fire and Rescue Response** **Fire Protection Services (GST applicable)** Attendance fee: district chief and driver $ 318.00 Attendance fee: pumper/aerial ladder/rescue $1,270.00 • The above standard charges are based on the 2019 Fees and Charges Schedule. These charges are subject to change. • 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 ○ The breach or default of the City of any term ○ The gross negligence or willful misconduct of the City ○ Any claim resulting from any representative of the City, except as may be attributed to the negligence or willful misconduct of any representative of Border Chemical

FINANCIAL IMPACT

Financial Impact Statement

Date: August 24, 2018

Project Name:

First Year of Program **2019**

Renewal of Fire Protection Services Agreement with Border Chemical Company Limited

	2019	2020	2021	2022	2023
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	26,880	27,418	27,966	-	-
Net Cost/(Benefit)	$ (26,880)	$ (27,418)	$ (27,966)	$ -	$ -
Less: Existing Budget Amounts	(26,880)	(27,418)	(27,966)	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

original signed by

John Hall, ACMA, CGMA
Department Controller

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

01-2b Emergency Preparedness, Response and Recovery, Direction 1- Provide Emergency Fire/Rescue and Pre-Hospital Paramedical Response- Collaborate and communicate with other governments and agencies on … logistical support and joint preparedness. The Gunn Road facility is located on the City of Winnipeg's eastern Boundary. The products contained within the facility make it likely any major incident will impact both the citizens of Winnipeg and the RM of Springfield. The WFPS is best positioned to respond in a well-equipped and timely manner to incidents at this location. Response to this location will involve notification of and coordination with the RM of Springfield.

01-2b Emergency Preparedness, Response and Recovery, Direction 1- Provide Emergency Fire/Rescue and Pre-Hospital Paramedical Response - Improve community safety through risk reduction. The Gunn Road facility is located on the City of Winnipeg's eastern Boundary. The hazardous products contained within the facility make it likely any major incident will impact the citizens of Winnipeg. The Gunn Road facility will be subject to the provisions of the WFPS- Fire Prevention Industrial Inspection Program and will be inspected by WFPS Fire Prevention Officers.

01-2b Emergency Preparedness, Response and Recovery, Direction 2- Prepare For Disasters and Emergencies. Research and prepare plans and procedures for emergency response. Border Chemicals Contracting for fire protection services with the WFPS will include inspection of the facility and creation of an incident response pre-plan.

SUBMITTED BY

Department: Winnipeg Fire Paramedic Service
Division: Executive
Prepared by: Mark Reshaur, Assistant Chief Fire Prevention and Public Education
Date: August 24, 2018
File No: