Agenda – Council – June 22, 2023

Report – Standing Policy Committee on Community Services – May 31, 2023

Item No. 2 Renewal of Fire Protection Services Agreement with Border Chemical Company Limited

STANDING COMMITTEE RECOMMENDATION:

On June 12, 2023, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Community Services 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 for a three-year period from January 1, 2024 to December 31, 2026, and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing ("Ancillary Agreements").

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the service provision agreement and any Ancillary Agreements, 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.

Report – Standing Policy Committee on Community Services – May 31, 2023

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 12, 2023, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Community Services and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 31, 2023, the Standing Policy Committee on 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 Community Services – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
S. Wilkinson	C. Schmidt	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The current Fire Protection Services Agreement between Border Chemical Company Limited ("Border Chemical") and The City of Winnipeg will expire on December 31, 2023. This agreement covers the provision of fire protection services to the Border Chemical facility located at 595 Gunn Road. This facility is located near the City of Winnipeg eastern boundary in the R.M. of Springfield.

The hazardous products contained within the facility make it possible that an emergency incident will impact beyond the municipal boundaries of the facility impacting both citizens of Winnipeg and the R.M. of Springfield. For this reason, any major incident at this location may require a Winnipeg Fire Paramedic Service (WFPS) response.

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

Border Chemical has indicated a desire to renew the contract.

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 for a three-year period from January 1, 2024 to December 31, 2026, and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing ("Ancillary Agreements").

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the service provision agreement and any Ancillary Agreements, 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 agreement between the City of Winnipeg and Border Chemical Company Limited 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 agreement if entered prior to December 31, 2023.

2. No additional changes to response profile or resource deployment.

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 from Border Chemical in the amount of the negotiated contract.

HISTORY/DISCUSSION

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 effective 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. 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, and service expired on December 31, 2013.

The agreement was again renewed effective January 1, 2014, for a term of 60 months, and expired December 31, 2018.

The agreement was further renewed effective January 1, 2019, and expires December 31, 2023.

Due to the nature of the business conducted at the Border Chemical plant and its proximity to the City of Winnipeg boundary, WFPS 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. The following is a summary of the terms and conditions:

<table>
<tr><td>Term</td><td>

January 1, 2024, to December 31, 2026.
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.

</td></tr>
<tr><td>Services</td><td>

WFPS shall provide emergency services to Border Chemical related to all types of fires including but not limited to 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.

</td></tr>
<tr><td>Payment</td><td>

Border Chemical shall pay an annual stand-by charge in accordance with the following, plus applicable taxes, and payable in two installments of 50% of the total on or before January 1 and July 1 in each year of the agreement:

<table>
<tr><td>Year of term</td><td>Standby charge</td></tr>
<tr><td>2024</td><td>$30,114.13</td></tr>
<tr><td>2025</td><td>$31,168.13</td></tr>
<tr><td>2026</td><td>$32,259.01</td></tr>
</table>

Standard apparatus charges, to be calculated from the time each call is received until the time the apparatus dispatched is placed back on duty, based on the following and shall be paid within 30 days of the invoice from the City:

<table>
<tr><td>Fire and Rescue Response</td><td></td></tr>
<tr><td>Fire protection services (GST applicable)</td><td>Per unit per hour (or part thereof)</td></tr>
<tr><td>Attendance fee: Fire rescue emergency response 2-person crew</td><td>$1,400</td></tr>
<tr><td>Attendance fee: Fire rescue emergency response 4-person crew</td><td>$2,601</td></tr>
</table>
</td></tr>
</table>

	• The above standard charges are based on the 2023 Fees and Charges Schedule. These charges are subject to change and costs will be calculated using the rates stated in the prevailing Fees and Charges Schedule on the date of the apparatus response to the incident. • 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 taxes.
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 of the agreement; o The gross 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: April 14, 2023

Project Name:

First Year of Program **2024**

Renewal of Fire Protection Services Agreement with Border Chemical Company Limited

	2024	2025	2026	2027	2028
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	30,114	31,168	32,259		
Net Cost/(Benefit)	$ (30,114)	$ (31,168)	$ (32,259)	$ -	$ -
Less: Existing Budget Amounts	(30,114)	(31,168)	(32,259)	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The standby revenue for fire protection service agreements are included in the submitted budget. The FIS excludes all taxes chargeable and reflects the revenue accruing to the City.

John Hall FCMA, CGMA
Financial Controller
Fire Paramedic Service

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services

OURWINNIPEG POLICY ALIGNMENT

Consideration was given as to whether this report connects to the OURWinnipeg Policy and its Goals and Objectives, and it was determined that the OURWinnipeg Policy is not applicable to this specific report.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan and its Goals and Objectives, and it was determined that the Winnipeg Climate Action Plan is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report

SUBMITTED BY

Department: Fire Paramedic Service
Division: Executive
Prepared by: Scott Wilkinson
Date: April 14, 2023
File No: N/A