

Johnston Grimes Metropolitan Fire Department Board

Tuesday, May 5, 2023

4:00 p.m.

Johnston City Hall

Saylorville Training Room

Tentative Agenda

1. Call to Order
2. Roll Call
3. Approval of the agenda
4. Public Comment
5. Approval of the minutes from the October 12, 2022, meeting
6. Review of Draft 28E Agreement.
 - a. Consider possible action or direction on Draft 28E Agreement
7. Discussion on FY 2024 staffing level and starting July 1, 2023 early
8. Ambulance Rates
9. Update on end of year statistics
10. Update on conversion to all Full-Time
11. Quarterly updates and reports
 - a. Report on balance of expenditures between both communities
 - b. Report on 2021 hours worked per quarter
 - c. Fire Marshal activity report
12. Other Business
13. Dates for future meetings
 - July 18, 2023 – Grimes
 - October 17, 2023 – Johnston
 - January 16, 2024 – Grimes
14. Adjourn

Johnston Grimes Metropolitan Fire Department Board – Meeting Minutes
Tuesday, October 12, 2022
4:00 p.m.
Grimes Community Complex Room 203

1. Call to Order

Mayor Dierenfeld called the meeting to order at 4:00 p.m.

2. Roll Call

The following members were present at the time the meeting was called to order: Mayor Paula Dierenfeld; Councilmember Jim Evans; Councilmember Rhonda Martin; Councilmember David Gisch, Councilmember Ryan Burger, City Administrator Jim Sanders and City Administrator Jake Anderson. Members absent: Grimes Mayor Scott Mikkelsen.

3. Approval of the agenda

Motion by Martin; second by Evans. Motion carried unanimously.

4. Public Comment

There was no public comment.

5. Approval of the minutes from the August 16, 2022, meeting

Motion by Anderson; second by Evans, Motion carried unanimously.

6. Approval of Funding Formula

City Administrator Jim Sanders asked the Board if the funding formula should be recalculated each year based on the annual population estimates rather than using the 5- or 10-year census calculations. Sanders noted that both communities have had significant increase in population, and an annual recalculation could provide for a smoother budgeting process.

Motion by Sanders, Second by Burger to adopt the funding formula for 2024, and going forward, to re-calculate the formula annually based on the Census Bureaus population estimate.

7. Review and discuss the first draft (7-29-22) of the updated 28E agreement.

City Administrator Jim Sanders offered a draft update of the 28E agreement that expires on June 30, 2023. Sanders noted that the draft contemplates there is a desire to work toward increased coordination and cooperation toward establishing a consolidated department. He said this draft incorporates many of the recommendations from the ESCI report and provides interim implementation goals. Sanders said changes from the current agreement include entering into a longer-term agreement from the current three-year span to a ten-year agreement. Mayor Dierenfeld stated that while this agreement proposes a 10-year time frame, there is a clause that allows for either party to withdraw from the agreement if the program is not satisfactory. Sanders opened the discussion regarding the future make up of the board members. Mayor Dierenfeld discussed the requirement to have three elected officials to represent each of the respective cities and extending more operational and decision control at the board level as opposed to funneling all recommendations to the respective councils for approval. Mayor Dierenfeld questioned how the budgeting process would operate and how spending decisions would be made. Sanders voiced his recommendation that an Administrative City should be determined to provide support services for the JGMFD. Those support services would include finance, payroll, human resources, information technology and legal support. Sanders said he would like input from the Board regarding the splitting of revenue as currently practiced, or if revenue should be used to offset the overall expenses from both cities and then split the remaining costs as detailed in the Funding Formula. Sanders said an interim goal is to complete the study and begin implementation by June 20, 2028. Sanders said that as a next step, the City Administrators and Fire Chief will take

comments and suggestions offered to re-draft a redline of the agreement. Mayor Dierenfeld recommended a follow up meeting to be scheduled prior to the holiday season, with the date to be determined.

8. Quarterly updates and reports

- a) Hiring Update
- b) Budget Implications
- c) Report of balance of expenditures between both communities
- d) Report on hours worked per quarter.
- e) Fire Marshal activity report

Chief Clark summarized the quarterly reports for administration and operations.

9. Other Business

10. Dates for future meetings

January 17, 2023- Johnston

April 18, 2023-Grimes

July 18, 2023- Johnston

October 17, 2023-Grimes

11. Adjourn

The meeting adjourned at 5:30 p.m.

MEMO TO: JGMFD Fire Board

CC: Jake Anderson, Grime City Administrator
Erik Fisk, City of Grimes
Teresa Rotschafer, City of Johnston
Tom Henderson, Whitfield & Eddy, P.L.C.
Kristine Stone, Ahlers & Cooney, P.C.
Mike Galloway, Ahlers & Cooney, P.C.

FROM: Mike Pogge-Weaver, Johnston City Administrator *MSPW*

DATE: April 25, 2023

SUBJECT: Draft Johnston Grimes Metro Fire District 28E

Please find attached a DRAFT 28E agreement for the JGMFD. This agreement was developed through several months of discussions between the staff of the City of Grimes and the City of Johnston. After this work, legal counsel from both cities met with staff to further refine the document. The attached agreement represents the culmination of this effort.

A few of the key concepts from the DRAFT that I would like to bring to your attention include:

- Overall operation of the district will be overseen by the Fire Board.
 - The Fire Board is the policy-making authority of the JGMFD. Duties of the Board are:
 - Review and approve for submission to each City Council the annual budget, budget amendments, capital purchases and infrastructure expenditures requested by the Fire Chief.
 - The Administrative City must submit a proposed budget for the Fire Board for review and approval by September 30th each year. Once approved by the Fire Board, the proposed budget must be delivered to the City Administrator of each city by November 15th for their review and approval. If the proposed JGMFD budget is not approved there is a mechanism in the agreement to continue funding based on inflation factors.
 - Participate in strategic planning of the Fire District including staffing, equipment, buildings, operations, and adopt the strategic plan for the JGMFD.
 - As framed and recommended by the Fire Chief, review community risks and set appropriate policies for the provision of Fire and EMS services in the service area.

- The new 28E creates a management committee. The Management Committee consists of the City Administrators from each community. Duties of the Management Committee:
 - With approval of the Fire Board, appoint a Fire Chief.
 - Assist the chief in formulating policy, proposals, and recommendations to the Board;
 - Conduct the Fire Chief's annual review and make recommendations to the Board concerning the Chief's compensation.
 - Decide and carry out any necessary disciplinary action, up to and including termination, of the Fire Chief. Termination of the Fire Chief shall be subject to approval of the Fire Board.
 - When appropriate, hear and decide personnel matters and other issues of management appealed beyond the chief.
- On behalf of the district, the Administrative City will maintain the finances and employees of the district. Which city will serve as the Administrative City will be selected after discussions with the Fire Board.
 - The current draft agreement allows either City to assume the role of the Administrative City. The Fire Board will need to decide and select which City will assume this responsibility.
 - The Administrative City shall be responsible for normal day-to-day administrative activities, including operating the accounts payable system for the district, contracting authority for the Fire Board, such as bidding for equipment and capital purchases, IT services, and so on. These services will be provided to JGMFD by the Administrative City at cost, and re-evaluated annually. The Administrative City shall keep members apprised of issues through the management committee.
 - Finances for the district shall be maintained in an agency fund of the Administrative City to maintain the financial independence of the district.
 - All personnel of the district shall be employed and managed by the Administrative City. The design has been taken from the Westcom agreement, where West Des Moines employs and manages the employees of Westcom for the benefit of Westcom members.
 - As the 28E is currently drafted, employees will transition to the Administrative City on January 1, 2024.
 - Union contracts for positions in JGMFD shall be ratified only after an affirmative vote of the Fire Board by the City Council of the Administrative City.
- The district will operate from three fire stations and expenses to operate the stations will be based on the funding formula. Items included in the operating expense include, but is not limited to, heat, electricity, vehicle fuel, phone/internet service, computer software and licensing, computer hardware, insurance, and consumables (toilet paper, paper towels, laundry soap, etc.).

- The renovation of Station 37 or building a new station to accommodate the need for 24-hour staffing shall be the sole responsibility of the City of Grimes.
- Any additions to Station 38 will be planned and budgeted for by both cities. The Fire Board will determine the percentage of the share cost, if any.
- The renovation of Station 39 shall be the sole responsibility of the City of Johnston.
- The funding formula remains unchanged and is based on four equal factors:
 - The number of calls for service provided within each city in the previous fiscal year ending on June 30th.
 - The latest population estimate of each city from the U.S. Census Bureau as of June 30th.
 - The then-current city limits of each city, in square miles as of June 30th.
 - The 100% valuation of each city with Gas and Electric (G&E) Utilities for the current fiscal year, as available from the Iowa Department of Management's Local Government Valuation & Finance System.
- All personnel costs, except for the Fire Marshall, Deputy Fire Marshall, and/or other fire prevention staff positions, shall be based on the Funding Formula.
 - Personnel costs for the Fire Marshall, Deputy Fire Marshall, and/or other fire prevention staff shall be based on the number of fire prevention activities provided to each city in the previous fiscal year ending on June 30th.
 - Upon request regular office hours for fire prevention services shall be provided in the development services offices of each member.
- Initially each City shall retain ownership of their original infrastructure and equipment. Expenditures made after July 1, 2023, for infrastructure and equipment over \$5,000, shall follow the funding formula and be owned by JGMFD for the benefit of each city. On July 1, 2024, each City shall transfer, except for real estate and buildings, all assets and equipment used solely by JGMFD to the Administrative City for the benefit of JGMFD.
 - The current equipment and depreciation schedule of the two cities will be reviewed and a true-up payment may be necessary if there is an imbalance. Any required true-up payment shall be made by October 31, 2024.

AGREEMENT BETWEEN THE CITY OF GRIMES, IOWA AND THE CITY OF JOHNSTON, IOWA FOR THE SHARING OF ADMINISTRATIVE RESOURCES AND EQUIPMENT SUPPORTING FIRE AND EMERGENCY MEDICAL SERVICES (EMS)

This Agreement is made and entered into on this ____ day of _____, 2023, by and between the City of Grimes, located in Polk County and Dallas County, Iowa (“Grimes”), and the City of Johnston, located in Polk County, Iowa (“Johnston”), pursuant to the provisions of Chapter 28E, Code of Iowa.

WHEREAS, since 2007, Grimes and Johnston have provided fire and Emergency Medical Services (EMS) services through a 28E agreement. The agreement was updated in 2010, 2013, 2017, 2020 (“Existing 28E Agreement”); and,

WHEREAS, the Existing 28E Agreement provides for unified fire and EMS services; and,

WHEREAS, the Existing 28E Agreement expires on June 30, 2023; and,

WHEREAS, the communities of Grimes and Johnston are experiencing significant growth and the demands for fire and EMS services has increased significantly; and,

WHEREAS, the call volume for fire and EMS services has increased due to the growth in population, residential, and business expansion in both communities; and,

WHEREAS, to meet the demand for services, and to provide adequate coverage 24 hours a day, seven days a week, each community must rely on a combination of full time and part time personnel; and,

WHEREAS, in 2021 Grimes and Johnston contracted with ESCI (Emergency Services Consulting International) to complete an assessment of the operation of JGMFD to determine how the communities can enhance their level of cooperation to create more efficient and cost-effective services to meet the fire and emergency medical needs of the growing communities; and,

WHEREAS, Grimes and Johnston desire to increase the level of coordination and cooperation in the delivery of fire and EMS services and progress toward complete consolidation in the operation of the departments; and,

WHEREAS, by approving this Agreement, the cities of Grimes and Johnston support increasing the level of coordination and cooperation with the intent to modify existing practices to allow the unified fire and EMS service more comprehensive strategic and capital planning from a single organization/joint community perspective.

NOW THEREFORE, the cities of Grimes and Johnston agree as follows:

I. PURPOSE

The purpose of this Agreement is to facilitate the sharing of administrative resources, staff, and equipment to support the joint provision of fire and EMS services for Grimes and Johnston for the protection of life and property. This Agreement will increase the level of coordination and cooperation of the cities and is an interim step toward exploring the creation of a separate entity governed by a Board of Directors. The unified fire and EMS service shall be known as the Johnston-Grimes Metropolitan Fire District (JGMFD).

II. DEFINITIONS

1. **Administrative City.** The city that provides finance, payroll, human resource, information technology, and legal support for the JGMFD. The City of _____ shall be the Administrative City for JGMFD and hereby consents to such designation.
2. **Calls for Service.** The fire and EMS calls responded to within the service area of the JGMFD. The current service area of the JGMFD is reflected in the attached Exhibit A, by this reference incorporated herein. The service area may grow over time due to annexations by either member city.
3. **Capital Expenditures.** Equipment purchases in an amount more than \$5,000 or purchases that are beyond what is included in the operating budget.
4. **Emergency Medical Services (EMS).** Responding to a medical emergency and/or transporting a patient to the hospital.
5. **Fiscal Year.** The annual operating budget begins on July 1 of each year and runs through June 30 the following year.
6. **Funding Formula.** Every year by October 30th, a funding formula shall be calculated to allocate the next fiscal year's funding and expenses for JGMFD between the two cities. The Fire Board shall approve the funding formula annually, which will be based on four equal factors:
 - The number of calls for service provided within each city in the previous fiscal year ending on June 30th.
 - The latest population estimate of each city from the U.S. Census Bureau as of June 30th.
 - The then-current city limits of each city, in square miles as of June 30th.
 - The 100% valuation of each city with Gas and Electric (G&E) Utilities for the current fiscal year, as available from the Iowa Department of Management's Local Government Valuation & Finance System.
7. **Infrastructure Value.** An accounting of the value of each existing capital item and operating equipment used by JGMFD for the purpose of providing fire and EMS service with a value more than \$5,000. Each city will maintain the value of their existing buildings that is used by JGMFD.

8. **The Johnston Grimes Metropolitan Fire District (JGMFD).** A unified fire and EMS service serving the communities of Johnston and Grimes. The JGMFD is created by 28E Agreement and is not a fire district pursuant to Iowa Code chapter 357B or an emergency response district pursuant to Iowa Code chapter 357J. The JGMFD is not a separate legal entity.
9. **Operating Costs.** The total of all personnel and operating expenses of JGMFD. This does not include any outstanding debt obligations of either city that exists at the time this Agreement is executed.
10. **Revenue.** All funds, other than property taxes, received from billing which includes fire district fees, ambulance billing, fire reports, etc.

III. FIRE BOARD

1. The Fire Board shall be the policy-making authority of the JGMFD and shall be responsible for administering the joint undertaking. The Board shall be the visionary body for the Johnston-Grimes Metropolitan Fire District and shall consist of six (6) voting members and the Fire Chief (non-voting) or his/her designee. Each city shall appoint three representatives to the Fire Board. It is encouraged that the Fire Board members be elected officials (mayors and councilmembers); however, up to one citizen member may be appointed from each city. No more than two councilmembers from each city may be appointed to the Fire Board to prevent a quorum of a City Council. In appointing representatives to the Board, the Mayors will strive to maintain gender balance. No employee, or family member of an employee, of JGMFD may serve as a voting member of the Board. The City Administrators and Fire Chief shall ensure the actions of the Board are administered as directed by the Board.
 - a. The chair of the Fire Board shall rotate every year between the cities of Johnston and Grimes. A representative from the City of Johnston will serve as the board chair in odd years, while a representative from the City of Grimes will serve as the board chair in even years. The Mayor of the respective city, whose year it is to serve as the chair, will select the board chair, which may include the Mayor themselves. In the event of a tied vote of the Fire Board, the board chair will have an additional vote and may choose to break the tie.
2. The Board shall meet as necessary, but no less than once every other month at a time and place as determined by the Board.
3. Duties of the Board:
 - a. As framed and recommended by the Fire Chief, review community risks and set appropriate policies for the provision of Fire and EMS services in the service area.
 - b. Participate in strategic planning of the JGMFD including staffing, equipment, buildings, operations, and adopt the strategic plan for the JGMFD.
 - c. Review and approve for submission to each City Council the annual budget, budget amendments, capital purchases and infrastructure expenditures requested by the Fire Chief.
 - i. In order to ensure overall stability and sustainability of JGMFD, the annual growth rate for the JGMFD operational budget shall not exceed 16%, unless mutually agreed to by the City Council of both cities.

- ii. Annually, by September 30th, the Fire Chief shall deliver to the Fire Board a proposed JGMFD budget for the next fiscal year for their review and approval. Upon approval by the Fire Board, the Administrative City shall deliver a proposed JGMFD budget for the next fiscal year to the City Administrator of each city by November 15th for their review and approval. The proposed budget is subject to the approval of each respective City Council. If the proposed JGMFD budget is not approved by both the Grimes and Johnston City Councils, the JGMFD budget for the current year shall be adjusted to the higher of inflation (Consumer Price Index for All Urban Consumers (CPI-U) for the Midwest Region) or the percentage increase of wages for the paramedic/firefighter position as set out in the collective bargaining agreement, and shall remain in effect until approval of a new JGMFD budget is given by both City Councils. Following review by the City Administrator of each city, the JGMFD budget may be amended with the approval of both City Councils.
- d. Review the capital and infrastructure needs including building expansions, future building locations, equipment needs, etc. and make recommendations to the City Councils.
- e. Review and recommend the staffing needs and staffing plans for the district, subject to City Council approval of each city.
- f. Review and approve job descriptions with administrative responsibilities for employees assigned to the JGMFD.
- g. Follow the rules as established by Iowa Code Chapter 21 (Open Meetings) and Chapter 22 (Open Records).
- h. The Fire Board will review and consider proposals for expanding personnel and make recommendations for funding to the City Councils.
- i. Annually the Fire Board will make a recommendation to the City Councils on the number of authorized positions for JGMFD.
- j. The Fire Board will review the administrative structure and Table of Organization of the JGMFD and approve the structure and number of employees authorized to be employed by the district, subject to City Council approval of each city.

IV. MANAGEMENT COMMITTEE

1. The Management Committee will consist of the City Administrators of each community. The purpose of the Management Committee is to review and make decisions and recommendations regarding personnel issues, in conjunction with the HR directors of both communities; address administrative issues; assist the Fire Chief in the formulation of policy proposals; and provide the annual review and disciplinary action, up to and including termination, of the Fire Chief.
2. The Management Committee shall meet at least once a month.
3. Duties of the Management Committee:
 - a. With approval of the Fire Board, appoint a Fire Chief.
 - b. Assist the Fire Chief in formulating policy, proposals, and recommendations to the Board;
 - c. Conduct the Fire Chief's annual review and make recommendations to the Board concerning the Chief's compensation.

- d. Decide and carry out any necessary disciplinary action, up to and including termination, of the Fire Chief. Termination of the Fire Chief shall be subject to approval of the Fire Board.
 - e. When appropriate, hear and decide personnel matters and other issues of management appealed beyond the Fire Chief.
4. The Fire Chief will apprise the Management Committee of the following items:
- a. JGMFD operational issues, including but not limited to personnel, financial, and legal concerns.
 - b. Review, discuss, and strategize the level of service and response models of the JGMFD.
 - c. Review and ensure that the ordinances and other regulations of the two cities are recognized as being unique and correctly applied in both communities.

V. FIRE CHIEF

The Fire Chief shall perform all duties required of the Fire Chief by law or ordinance, including but not limited to the following: (Code of Iowa, Sec. 372.13[4])

1. **Enforce Laws.** Enforce ordinances and laws regulating fire prevention and the investigation of the cause, origin and circumstances of fires.
2. **Technical Assistance.** Upon request, give advice concerning private fire alarm systems, fire extinguishing equipment, fire escapes and exits and development of fire emergency plans.
3. **Authority at Fires.** When in charge of a fire scene, direct an operation as necessary to extinguish or control a fire, perform a rescue operation, investigate the existence of a suspected or reported fire, gas leak, or other hazardous condition, or take any other action deemed necessary in the reasonable performance of the JGMFD's duties. (Code of Iowa, Sec. 102.2)
4. **Control of Scenes.** Prohibit an individual, vehicle or vessel from approaching a fire scene and remove from the scene any object, vehicle, vessel or individual that may impede or interfere with the operation of the JGMFD. (Code of Iowa, Sec. 102.2)
5. **Authority to Barricade.** When in charge of a fire scene, place or erect ropes, guards, barricades or other obstructions across a street, alley, right-of-way, or private property near the location of the fire or emergency so as to prevent accidents or interference with the firefighting efforts of the JGMFD, to control the scene until any required investigation is complete, or to preserve evidence related to the fire or other emergency. (Code of Iowa, Sec. 102.2)
6. **Command.** Be charged with the duty of maintaining the efficiency, discipline and control of the JGMFD. The members of the JGMFD shall, at all times, be subject to the direction of the Fire Chief.
7. **Property.** Exercise and have full control over the disposition of all fire apparatus, tools, equipment and other property used by or belonging to the JGMFD.

8. Notification. Whenever death, serious bodily injury, or property damage in excess of \$200,000 has occurred as a result of a fire, or if arson is suspected, notify the State Fire Marshal's Division immediately. For all other fires causing an estimated damage of \$50.00 or more or emergency responses by the JGMFD, file a report with the Fire Marshal's Division within ten (10) days following the end of the month. The report shall indicate all fire incidents occurring and state the name of the owners and occupants of the property at the time of the fire, the value of the property, the estimated total loss to the property, origin of the fire as determined by investigation, and other facts, statistics, and circumstances concerning the fire incidents. (Code of Iowa, Sec. 100.2 & 100.3)
9. Right of Entry. Have the right, during reasonable hours, to enter any building or premises within the Fire Chief's jurisdiction for the purpose of making such investigation or inspection which under law or ordinance may be necessary to be made and is reasonably necessary to protect the public health, safety and welfare. (Code of Iowa, Sec. 100.12)
10. Recommendation. Make such recommendations to owners, occupants, caretakers or managers of buildings necessary to eliminate fire hazards. (Code of Iowa, Sec. 100.13)
11. Assist State Fire Marshal. At the request of the State Fire Marshal, and as provided by law, aid said marshal in the performance of duties by investigating, preventing and reporting data pertaining to fires. (Code of Iowa, Sec. 100.3)
12. Records. Cause to be kept records of the JGMFD personnel, fire fighting equipment, depreciation of all equipment and apparatus, the number of responses to alarms, their cause and location, and an analysis of losses by value, type and location of buildings.
13. Reports. Compile and submit to the Fire Board an annual report of the status and activities of the JGMFD as well as such other reports as may be requested by the Fire Board.

VI. OPERATIONS

1. The JGMFD operates out of three (3) stations currently serving the JGMFD service area: stations 37, 38, and 39. All stations are stations to the whole of the service area and shall respond accordingly to emergency and non-emergency calls for services without respect to city or township boundaries as set forth by the Fire Chief.
2. Employees of the JGMFD may be assigned throughout the service area to meet the operational needs set forth by the Fire Chief. Station assignments may consider the preferences of the employees and be done through a process considering service needs and seniority.

VII. ROLE OF THE CITY PROVIDING ADMINISTRATIVE SUPPORT

The Administrative City shall provide support services for the JGMFD. Support services include finance, payroll, human resources, information technology, and legal support. The Administrative City shall also provide professional liability, auto liability, general liability, and umbrella liability coverage for all JGMFD operations, including insurance coverage for damage to buildings and equipment.

It is agreed that:

1. For purposes of bidding of equipment and capital purchases, the Administrative City shall act as the contracting authority for JGMFD and will advertise for and hold the letting of all required bids.
2. Subject to review by the Fire Board, the Administrative City shall employ under its Policies and Procedures all regular and probationary employees needed for the operation of JGMFD to carry out the purposes of this Agreement.
3. The Administrative City shall employ and manage all personnel pursuant to its employee and administrative policies and procedures, union contracts, city ordinances and other applicable laws.
 - a. It is recognized that transitioning employees from the City of _____ to the City of _____ will occur on January 1, 2024. To be successful this will need to be done in coordination with the union.
 - b. Union contracts for positions in JGMFD shall be ratified only after an affirmative vote of the Fire Board and by the City Council of the Administrative City.
4. The Administrative City shall provide for accounting practices and financial tracking of JGMFD activities separately from other Administrative City activities. Annually, the Administrative City shall deliver an annual financial report to the Fire Board for review following the completed audit of the previous fiscal year.
5. The Administrative City shall have custody of and maintain all books and records of JGMFD on behalf of both cities. Both cities shall have the right, at any time upon reasonable notice, to review and inspect the books and records of JGMFD.
6. Pursuant to policies and procedures adopted by the Fire Board and the JGMFD budget, the Administrative City shall, through its accounts payable system, pay all bills of JGMFD.
7. The Administrative City shall provide professional services to include, but not limited to, human resources, finance - including payroll and accounting, and legal services. These services are provided at cost to JGMFD by the Administrative City, and shall be re-evaluated annually. The Administrative City shall keep all members apprised of issues through the Management Committee.
 - a. By September 30th each year, the Administrative City shall calculate the cost to provide administrative services and insurance coverage for the JGMFD. The Administrative City shall provide the cost share for the support services for review by the Fire Board. By November 15th, the Fire Board shall make a recommendation to each City Council for the cost share for administrative services.
8. Information technology (IT) services are covered under a separate memorandum of understanding (MOU) between JGMFD and the chosen IT service provider.

VIII. ACCOUNTING OF BENEFITS

Property taxpayers of Grimes and Johnston benefit from this Agreement due to cost savings and efficiency in sharing services, staff and the administration of the fire district compared to operating separate fire departments. Joint staffing, maintenance of facilities and equipment, provision of administrative oversight, and joint purchasing and operations contribute to a more streamlined and cost-effective operation.

Citizens benefit from improved efficiency and response capability from a consolidated organization. Joint response provides for efficiency in the number of units and trained personnel responding to a call which has a positive impact on response times and level of care.

IX. FINANCES

1. Following the practices outlined in the Existing 28E Agreement dated _____, each city shall be responsible for their own operating costs, revenue, and billing for services from July 1, 2023, through December 31, 2023.
2. Starting January 1, 2024, all operating costs, revenue, and billing for services provided by the JGMFD shall be administered through the Administrative City.
3. The Administrative City shall establish and maintain separate funds and/or sub-funds, within its accounting software, exclusively for the operations and capital expenditures for JGMFD.
4. A reserve fund shall be established for JGMFD in the amount of 25% of its annual operating budget. Each City shall contribute to the fund based on the Fire Formula. The initial operational reserve fund shall be based on the combined FY2023/2024 Fire Department budget for each City, and each City shall make its proportionate share of the initial reserve fund on or before December 15, 2023. For subsequent budget years, if it is projected that the ending balance for JGMFD will fall below 25%, each City shall make its proportionate share to bring the fund back to 25% before the start of the fiscal year, on or before June 15th. If it is projected that the ending balance for JGMFD will be above 25%, each City's monthly contribution for the upcoming year shall be reduced so that the projected balance returns to 25%. Interest or other investment returns shall be maintained in the separate funds or sub-funds created by the Administrative City for the benefit of JGMFD.
5. The Administrative City shall transfer on a monthly basis on or before the fifteenth (15th) day of each month its share of the JGMFD budget divided by twelve (12) into the exclusive JGMFD fund and/or sub-funds.
6. The Non-Administrative City shall remit payment to the Administrative City on a monthly basis on or before the fifteenth (15th) day of each month its share of the JGMFD budget divided by twelve (12) to be deposited into the exclusive JGMFD fund and/or sub-funds. The Administrative City shall provide the Non-Administrative City with monthly statements of actual costs incurred.

7. Any difference between actual and budgeted expenditures shall be an adjustment to the following year's payment of costs on a pro-rata basis.
8. The Administrative City shall employ all personnel. Their work will be assigned to include all duties for which they are qualified. All employees shall be compensated from the Administrative City in conformance with requirements of the Fair Labor Standards Act (FLSA).
9. All personnel costs, except for the Fire Marshall, Deputy Fire Marshall, and/or other fire prevention staff positions, shall be based on the Funding Formula.
10. Personnel costs for the Fire Marshall, Deputy Fire Marshall, and/or other fire prevention staff shall be based on the number of fire prevention activities provided to each city in the previous fiscal year ending on June 30th.
 - a. Upon request regular office hours for fire prevention services shall be provided in the development services offices of each member.
11. A complete inventory of the infrastructure and equipment utilized by JGMFD (items more than \$5,000 in value) shall be maintained by JGMFD. Initially each city shall retain ownership of their original infrastructure and equipment. Expenditures made after July 1, 2023, for infrastructure and equipment over \$5,000, shall follow the Funding Formula and be owned by the Administrative City, for the benefit of JGMFD. On July 1, 2024, each City shall transfer, except for real estate and buildings, all assets and equipment used solely by JGMFD to the Administrative City for the benefit of JGMFD. The current equipment and depreciation schedule of the two cities will be reviewed and a true-up payment may be necessary if there is an imbalance. The value of the equipment shall be determined based on a depreciation schedule using the straight-line method and the depreciation rate shall be based on the industry standard expected life of each piece of equipment.

If there is an imbalance in the value of the equipment being transferred by one city over the other city, a true-up payment shall be made to the other party to balance the value of the equipment being transferred, following the funding formula set in September of 2022 (38% Grimes/62% Johnston). The true-up payment shall be calculated as follows:

$$\text{True-up payment} = ([\text{Total depreciated value of equipment from both communities}] * [\text{Funding Formula Percentage}]) - [\text{Total depreciated value of equipment from the City}]$$

Any required true-up payment shall be made by October 31, 2024.

If JGMFD dissolves, the two cities shall divide equipment following provisions outlined in this section using the then current Funding Formula. The Fire Chief shall maintain an inventory of the equipment and infrastructure owned by each city and owned by the Administrative City for the benefit of JGMFD. The inventory shall be updated by June

30 each year and reported to the Board. This provision shall survive the termination or expiration of the Agreement.

12. The JGMFD will create and maintain a Capital Equipment Program (CEP) and a Capital Improvement Program (CIP). The CEP and CIP program documents shall include recommendations for funding. The Fire Board shall review and consider the CEP and CIP on an annual basis and provide the plans to each City Council for funding consideration.
13. All stations will operate as shared stations. Expenses to operate the stations will be based on the Funding Formula described in section II.6. Items included in the operating expenses include, but are not limited to, heat, electricity, vehicle fuel, phone/internet service, computer software and licensing, computer hardware, insurance, and consumables (toilet paper, paper towels, laundry soap, etc.).
14. The renovation of Station 37 or building a new station to accommodate the need for 24-hour staffing shall be the sole responsibility of the City of Grimes.
15. Any additions to Station 38 will be planned and budgeted for by both cities. The Fire Board will determine the percentage of the share cost, if any.
16. The renovation of Station 39 shall be the sole responsibility of the City of Johnston.
17. In the event this Agreement is terminated, each city shall be given 180 days from the date of notice to pay, to the other city, their respective depreciated balance of equipment or infrastructure owned by the Administrative City for the benefit of JGMFD.

X. FUTURE DEVELOPMENT OF A CONSOLIDATED FIRE DEPARTMENT

Grimes and Johnston recognize that joint planning, development and funding of fire protection, emergency response capabilities and facilities benefit residents of both communities through economies of scale, improvement in response performance, and training of staff. The communities agree to continue discussions focused on opportunities to expand the joint provision of Fire and EMS services.

Each decision regarding personnel, finance and equipment shall be made considering the goal to increase the level of coordination and cooperation between the communities. The Funding Formula should be considered as decisions are made regarding what percentage of the operational, personnel and equipment costs will be paid by each city.

1. During this contract period, the JGMFD will evaluate the capital equipment (CEP) and infrastructure needs (CIP). Once approved by the Fire Board, the plan will be presented to the City Councils for review, consideration, and funding commitment. An interim goal is to complete and implement the plan by June 30, 2024.
2. During this contract period, the JGMFD will evaluate the growing staffing needs of JGMFD, create a plan to address the growth, and present the plan to the Fire Board for consideration. Once approved by the Fire Board, the plan will be presented to the City

Councils for review, consideration, and funding commitment. An interim goal is to complete and implement the plan by June 30, 2026.

3. During this contract period, the Fire Board will study converting JGMFD to a single independent organization (as recommended as Option 4B in the 2022 ESCI report). An interim goal is to complete the study and consider implementation by June 30, 2028.

XI. DURATION AND TERMINATION

1. Initial Term. This Agreement shall commence on July 1, 2023 and expire on June 30, 2033.
2. Early Termination. This Agreement may be terminated at the written request of either party during the Initial Term. During the Initial Term, each party must provide at least eighteen months (one year and six months) written notice if they intend to terminate the Agreement and the termination shall not go into effect prior to the end of a fiscal year (June 30). Unless the termination is mutually agreed upon, in recognition of the financial cost of implementing this Agreement the city requesting termination will be subject to an early termination fee. The early termination fee shall be \$500,000 and will decrease \$50,000 per year of the Initial Term. No early termination fee shall be due once the initial 10-year term is completed.
3. Renewal Terms. This Agreement shall be renewed automatically for succeeding terms of two (2) years each unless either party gives written notice to the other at least eighteen months (one year and six months) prior to the expiration of any term.
4. Any financial obligations entered during this Agreement, prior to the expiration date, shall remain the obligation of each party.

XII. INDEMNIFICATION

For actions and omissions under and exercised in effectuating this Agreement, each city agrees to defend, indemnify and hold the other city, their elected officers, agents, employees and successors and assigns, harmless from and against all claims, demands, actions and/or causes of action, judgments, settlements, or other costs, including reasonable attorney's fees, which the other city, their successors and assigns, may incur or sustain a) by reason of the indemnifying city's breach of this Agreement or failure to legally or timely meet the responsibilities imposed herein (including, but not limited to, any financial obligations herein), or b) by reason of the torts of the indemnifying city.

Each city shall defend, indemnify and hold the other city harmless from and against any and all claims, demands, causes of action, liability, loss, damage, or injury ("claims"), both to person and property, arising out of or related to this Agreement, to the extent such claims are attributable to the negligent or willful misconduct of the indemnitor; provided, indemnitee gives the indemnitor prompt notice of any such claims and all necessary information and assistance so that indemnitor, at its option, may defend or settle such claims and indemnitee does not take any adverse position in connection with such claims. In the event that any such liability, loss, damage or injury is caused by the joint or concurrent negligence or willful actions of the cities, the loss, expense or claim shall

be borne by each city in proportion to its negligence or willful action. Nothing in this Section shall be deemed to limit the right of a city to defend against any claim or the application of any and all available protections and defenses under state and federal law, including, but not limited to, the Iowa Torts Claims Act.

Johnston and Grimes agree that any and all costs related to any claims, demands, actions and/or causes of action, judgments, settlements, or other costs, including reasonable attorney's fees, incurred or sustained by either city related to the operations of JGMFD, not attributable to the negligence or willful misconduct of either or both cities, shall be shared between the two cities pursuant to the Funding Formula.

XIII. DISPUTE RESOLUTION

The parties shall endeavor in good faith to resolve claims, disputes and other matters in question between them by mutual agreement and, in the event they cannot agree, shall submit same to mediation which shall be in accordance with Iowa Code Chapter 679C, unless otherwise mutually agreed by the parties. A request for mediation shall be given in writing to the other party to this Agreement. The parties shall mutually agree upon a mediator within thirty (30) days of receipt of the written request for mediation. Mediation shall be a mandatory prerequisite to litigation or other means of dispute resolution.

The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in a mutually agreeable location. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

Any legal claim brought under this Agreement shall be filed in the Iowa District Court in and for Polk County, unless otherwise mutually agreed to by the parties. **Each of the parties hereby irrevocably and unconditionally waives all rights to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement.**

XIV. AGREEMENT - METHOD OF APPROVAL

The City of Grimes and the City of Johnston hereto approve this Agreement by City Council Resolution, which Resolution shall authorize the respective Mayors to execute this Agreement.

XV. NOTICES

Any notice or demand required or desired to be given hereunder shall be in writing and deemed given when personally delivered or when deposited in the United States mail, postage prepaid, sent certified or registered, and addressed as follows:

If to Grimes, to:

City of Grimes
101 North Harvey
Grimes, Iowa 50111
Attention: City Administrator

With Copy to:

Thomas Henderson
Whitfield & Eddy, P.L.C.
699 Walnut, Suite 2000
Des Moines, Iowa 50309-4195

If to Johnston, to:

City of Johnston
P.O. Box 410
6221 Merle Hay Road
Johnston, Iowa 50131
Attention: City Administrator

With copy to:

Kristine Stone
Ahlers & Cooney, P.C.
100 Court Avenue, Suite 600
Des Moines, IA 50309-2231

or to such other address or person as hereafter shall be designated in writing by the applicable party.

XVI. EFFECT OF TERMINATION

In the event this Agreement is terminated by (a) mutual agreement of both cities or (b) by a single city giving a timely notice as provided immediately above, each city shall continue to remain liable for its pro rata portion of the JGMFD budget until termination takes effect eighteen (18) months thereafter. In the event of termination, a determination of the respective ownership of currently used equipment will be completed utilizing the depreciated pricing of the total assets and based on how JGMFD was funded following the formula discussed in section II.6. If monies are due from one city to the other city, repayment shall be made within 180 days of termination of the Agreement.

XVII. NOT A LEGAL ENTITY

This Agreement is a voluntary undertaking of the City of Grimes and the City of Johnston. It is not the intent of the two cities to create a new legal entity by this Agreement.

XVIII. CONFIDENTIALITY

Except with the prior written consent of the other city or to the extent required by law, each of Johnston and Grimes will keep confidential, and will not disclose or use for its benefit or the benefit of any third party, any confidential information obtained from the other city except in connection within the normal and lawful course of its business under this Agreement. Confidential information may include, without limitation, information about personnel or personnel matters, internal operating procedures, developing strategies, financial information, funding opportunities, and information the parties may obtain through the ordinary course and lawful interactions among employees of JGMFD.

Confidential information does not include information generally available to the public, public records pursuant to Iowa Code chapter 22, independently developed information and information already known by the receiving Party before entering into this Agreement or that is rightfully obtained by the receiving party from sources other than the other party to this Agreement. All confidential information furnished under this Agreement will remain the property of the furnishing party and shall be returned, upon request, to the furnishing party to the extent possible upon the expiration or termination of this Agreement.

For all confidential information shared under this Agreement, Johnston and Grimes agree to exercise all necessary diligence, protections, technology, or other safeguards to comply with its privacy obligations concerning employee information protected under Iowa Code Chapter 22.7 Confidential Records; the Americans with Disabilities Act (ADA), as amended; the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Fair Credit Reporting Act, and any related federal or state privacy or confidentiality laws and regulations.

XIX. NON-DISCRIMINATION IN EMPLOYMENT AND SERVICES

Both Johnston and Grimes are equal opportunity employers, and shall not discriminate against any employee or applicant on the grounds of race, color, religion, sex, sexual orientation, gender identity, national origin, creed, marital status, age, veteran status, or the presence of any disability; provided that the prohibition against discrimination in employment because of disability shall not apply if the particular disability prevents the particular worker involved from performing the occupational requirements of the job. The Parties shall not, on the grounds of race, color, sex, sexual orientation, gender identity, religion, national origin, creed, marital status, age, veteran status or the presence of any disability deny any individual any services or other benefits provided under this Agreement.

XX. COMMON INTEREST AND JOINT DEFENSE

Both Johnston and Grimes agree that, pursuant to the terms and services provided in this Agreement, they have substantially similar interests and derive mutual benefit from this Agreement and the services contemplated herein. Furthermore, Johnston and Grimes agree that, for the purpose of assisting in any common investigation, evaluation, or defense of any allegations, charges, complaints, or other cause made against them (whether jointly or individually), they shall engage in communications or elect to disclose or transmit to each other otherwise privileged, confidential, or proprietary communications, information, or documents; mental impressions; investigative information; memoranda; interview reports; expert reports; and other privileged, confidential, proprietary, or otherwise protected communications, information, or documents relating to the allegation, charge, complaint, or other cause. Both Johnston and Grimes agree that such materials may be protected from disclosure to adverse or other parties as a result of the attorney-client privilege, the work-product privilege, the joint defense doctrine, the common interest doctrine, and/or other applicable privileges, rights, or rules; and they desire that such materials shall remain privileged and confidential or otherwise protected from disclosure for the purpose of promoting cooperation and limiting administrative and legal costs. When appropriate, and at least in the event of any formal proceedings, Johnston and Grimes shall execute such a "joint defense" or "common interest" agreement to protect and memorialize their commitment pursuant to this provision.

XXI. AMENDMENT OF AGREEMENT

Any amendment to this Agreement shall be in writing upon recommendation of the Fire Board and after appropriate public review and discussion, including a public hearing, if required, and such amendment shall be approved by resolution of the Grimes City Council and the Johnston City Council.

XXII. MISCELLANEOUS

1. This Agreement is entered into solely for the benefit of the goals and objectives of Grimes and Johnston as expressly provided herein and does not create any rights in any other person.
2. Unless otherwise provided in this Agreement, any liabilities, debts, or other obligations by Grimes and Johnston shall not be the responsibility of the other community.
3. Grimes and Johnston shall pay its own costs incurred to negotiate, amend, abide by, or terminate this Agreement.
4. After approval of this Agreement by resolution of both cities and execution by the parties, this Agreement shall be filed with the Iowa Secretary of State in accordance with the provisions of Iowa Code § 28E.8.
5. In case any one or more of the provisions contained in this Agreement shall be declared invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

6. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Iowa.

CITY OF GRIMES

CITY OF JOHNSTON

By: _____ By: _____

Print Name: _____ Print Name: _____

Print Title: _____ Print Title: _____

Date: _____ Date: _____

DRAFT

Exhibit A Service Area Map

