

**JOINT POWERS AGREEMENT
BETWEEN THE CITY OF BREEZY POINT, CITY OF PEQUOT LAKES
AND THE PEQUOT LAKES FIRE DISTRICT**

This Agreement is entered into by and between the City of Breezy Point, a Minnesota municipal corporation, the City of Pequot Lakes, a Minnesota municipal corporation, and the Pequot Lakes Fire District, a Minnesota joint powers organization, pursuant to Minn. Stat. § 471.59.

1. Purpose. The cities of Breezy Point and Pequot Lakes are members of the Pequot Lakes Fire District. The Fire District Board approved the purchase of a ladder truck (Rosenbauer Aerial with Commander chassis and King Cobra Platform) pursuant to its Capital Improvement Plan. The purpose of this Agreement is to establish the procedure and responsibility for financing the truck.
2. Term. The term of this Agreement shall commence on January 9, 2024, and shall continue until the debt on the truck is paid in full.
3. Joint Responsibility. Pequot Lakes and Breezy Point each acknowledge their respective responsibility to pay for one half of the cost of the new truck, including any financing costs, which payments shall be made to the Fire District as part of each City's annual contribution to the District.
4. Equipment Financing. Breezy Point shall provide the initial financing to purchase the ladder truck. At its sole discretion, Breezy Point shall utilize one of the two following financing methods:
 - a. Debt Issue. Breezy Point may issue general obligation bonds in an amount equal to the price of the truck plus any related fees, sales taxes and bonding costs. The bonds shall issue as soon as reasonably practicable following approval of this Agreement. Breezy Point shall provide Pequot Lakes and the Fire District Board with information on the final bond sales price, net proceeds and repayment schedule. Breezy Point shall make bond payments pursuant to the bond payment schedule. At least 30 days before the scheduled payments, the Fire District shall submit payment to Breezy Point in an amount equal to the scheduled bond payment.
 - b. Cash Purchase. Breezy Point may issue a cash payment for the final invoice amount, in which case the Fire District shall submit an annual payment to Breezy Point as shown in Exhibit A.
5. Equipment Acquisition. Upon receipt of confirmation of the sale of bonds, or receipt of notice from the City of Breezy Point that it is ready to issue a cash payment, the Fire District Board shall finalize the purchase of the specified ladder truck and provide the final invoice to each City. Upon the sale of bonds (if applicable) and receipt of the final invoice, Breezy Point shall pay the final invoice directly to the seller and notify Pequot Lakes and the Fire District Board of the payment. The Fire District shall arrange for delivery and receipt of the truck.

6. Miscellaneous Provisions.

- a. Compliance with Laws and Standards. The parties hereto agree to abide by all Federal, State or local laws, statutes, ordinances, rules and regulations now in effect or hereafter adopted pertaining to this Agreement.
- b. Liability and Indemnification. Each party to the Agreement shall be liable for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of the other party, its officers, employees or agents. To the extent allowed by law, each party hereby agrees to defend and indemnify the other, its officers and employees against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees which the other, its officers and employees may hereafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the party, its agents, servants or employees, in the execution, performance, or failure to adequately perform its obligations pursuant to the Agreement.

It is understood and agreed that liability arising from the parties' acts or omissions is governed by the provisions of the Municipal Tort Claims Act, Minn. Stat. ch. 466, and other applicable laws.

- c. Amendments. Any alterations, variations or modifications of the provisions of this Agreement shall be valid only when reduced to writing, approved by the parties' Board or Council, and signed by authorized representatives.
- d. Disposition of Property. Upon termination of this Agreement, any property acquired as a result of activities undertaken pursuant to this Agreement and any surplus moneys shall be returned to the Fire District.
- e. Relationship of the Parties. Nothing contained in this Agreement is intended or shall be construed in any manner as creating or establishing a partnership, joint venture, or agency relationship between the parties.
- f. Notice. All notices and communications required by this Agreement shall be given in writing, by certified mail, as follows:

To Breezy Point: David Chanski
City Administrator
8319 County Road 11
Breezy Point, MN 56472

To Pequot Lakes: Angie Duus
City Administrator
4638 Main Street
Pequot Lakes, MN 56472

To Fire District: Mike Schwankl
Fire Chief
4638 Main Street

Pequot Lakes, MN 56472

- g. Counterparts. The Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same agreement.

City of Breezy Point

 Angel Zierden, Mayor

Dated: _____

Attest:

 David Chanski, City Administrator

City of Pequot Lakes

 Tyler Gardner, Mayor

Dated: _____

Attest:

 Angie Duus, City Administrator

Pequot Lakes Fire District

 Tyler Gardner, Chair

Dated: _____

Attest:

 Mike Schwankl, Fire Chief

Exhibit A: Cash Purchase Amortization Schedule

Rosenbauer 101' King Cobra Aerial Cash Purchase Amortization Schedule:

Principal:	\$1,409,470.00
Interest rate:	3.00%
Annual payment:	\$165,232.88
Years:	10

PAYMENT DATE	ANNUAL PAYMENT	PRINCIPAL	INTEREST	UNPAID BALANCE
August 1, 2024	\$165,232.88	\$122,948.78	\$42,284.10	\$1,286,521.22
August 1, 2025	\$165,232.88	\$126,637.25	\$38,595.64	\$1,159,883.97
August 1, 2026	\$165,232.88	\$130,436.36	\$34,796.52	\$1,029,447.61
August 1, 2027	\$165,232.88	\$134,349.45	\$30,883.43	\$895,098.16
August 1, 2028	\$165,232.88	\$138,379.94	\$26,852.94	\$756,718.22
August 1, 2029	\$165,232.88	\$142,531.34	\$22,701.55	\$614,186.88
August 1, 2030	\$165,232.88	\$146,807.28	\$18,425.61	\$467,379.61
August 1, 2031	\$165,232.88	\$151,211.49	\$14,021.39	\$316,168.11
August 1, 2032	\$165,232.88	\$155,747.84	\$9,485.04	\$160,420.27
August 1, 2033	\$165,232.88	\$160,420.27	\$4,812.61	\$0.00
	\$1,652,328.82	\$1,409,470.00	\$242,858.82	