



Executive Summary

City Council Business Meeting

AGENDA ITEM-NEW BUSINESS: Fire Services Contract and Lease Agreement
PREPARED BY: Jacob Schillander, City Administrator
RECOMMENDED ACTION: Approve the Fire Services Contract and Lease Agreement

Summary:

Introduction:

After months of planning, negotiations, and multiple joint meetings, we have finalized agreements that I believe will work well for all parties involved. The contracts were approved by the West Suburban Fire District Board of Directors on December 3, 2025 and will go to a membership vote next week. Chief Leuer is confident that the membership will approve these agreements as well.

1. Fire Station Lease Agreement (City of Maple Plain & West Suburban Fire District)

- **Purpose:** Lease of Maple Plain Fire Station (1645 Pioneer Ave) to WSFD for exclusive use in providing fire and emergency services.
- **Term:** Jan 1, 2026 – Dec 31, 2030, with automatic 5-year renewals unless terminated with 2 years' notice.
- **Rent:** \$1 per year.
- **Responsibilities:** WSFD handles utilities, generator, interior upkeep, and exhaust system installation (City reimburses up to \$76,972). City handles structural repairs, water/sewer, and snow removal.
- **Insurance & Indemnification:** WSFD maintains \$2M liability coverage and indemnifies City except for City negligence.
- **Termination:** Linked to Fire Services Agreement or for default/non-renewal.

2. Fire Protection Services Agreement (WSFD, City of Maple Plain & City of Independence)

- **Purpose:** WSFD provides fire suppression, prevention, EMS, rescue, and hazardous materials response for both cities.

- **Term:** Jan 1, 2026 – Dec 31, 2030, with automatic 5-year renewals unless terminated with 2 years' notice.
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Key Provisions:

Section 4(b) – Maple Plain Firefighters Transition:

- WSFD will offer membership to all active Maple Plain Volunteer Fire Department firefighters listed in Exhibit C, provided they meet WSFD's minimum qualifications.
- Accepted firefighters join WSFD on Jan 1, 2026, subject to a one-year probationary period.
- **Annual PERA Contributions:** For five years post-transition, Maple Plain and Independence will each pay \$3,626.27 per retained firefighter annually, split 50/50. After five years, WSFD assumes full responsibility.

Section 5 – Cost of Service:

- Formula: 50% property market value + 50% service usage (three-year trailing average).
- Formula Plus Adjustment: \$25,155.26 phased out over five years (100% in 2026–2027; 75% in 2028; 50% in 2029; 25% in 2030).
- One-Time Equipment Cost: \$37,000 split evenly between Maple Plain and Independence.
- Apparatus Cost: New engine capped at \$1.5M (WSFD 50%, Maple Plain 25%, Independence 25%).

Section 6(e) – Limited Warranty on Transferred Equipment:

- Warranty Period: Through Dec 31, 2027.
 - Coverage: Applies only to vehicles transferred from Maple Plain to WSFD. Covers repairs exceeding \$25,000, excluding insurance-covered or accident-related repairs.
 - Cost Sharing: WSFD pays 50%; Cities collectively pay 50% (Maple Plain 25%, Independence 25%).
 - Process: WSFD invoices Cities with supporting documentation; payment due within 30 days.
 - Purpose: Protects WSFD from major unexpected repair costs during transition and ensures shared responsibility.
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Strategic Highlights:

- Smooth Transition: WSFD absorbs Maple Plain firefighters and equipment, ensuring continuity of service.
 - Financial Predictability: Formula-based cost allocation, phased adjustments, and capped apparatus cost provide budget stability.
 - Risk Mitigation: Warranty on transferred equipment and strong indemnification provisions reduce exposure for all parties.
 - Operational Control: WSFD retains full authority over staffing, policies, and service delivery.
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Recommendation :

Staff recommend approving the Fire Services Contract and Lease Agreement and bring the agreements to a Joint Council Meeting on December 16th with Independence for official signing of the contracts.