



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: December 28, 2020

Subject: JPA Amendment for Provision of Fire Services with the cities of Blaine and Mounds View

At the request of the City of Blaine, the cities of Blaine, Mounds View and Spring Lake Park have been working over the past year on an amendment to the Joint Powers Agreement to provide fire services for the three cities. The proposed JPA is included with this memorandum.

The JPA streamlines the ability of the cities to issue debt in support of the Fire Department. Currently, that process included a JPA amendment in addition to the cities pledging their full faith and credit to paying off the bond. The proposed JPA eliminates the need for an amendment each time debt is proposed.

The JPA also freezes the fire aid formula for 2021 and beyond. The current formula takes into account a three-year rolling average of (1) each city's estimated total market value of property and (2) calls for service. When the JPA was established, Blaine paid 65%, Mounds View 24% and Spring Lake Park 11%. With the significant growth in Blaine over the past 25 years, the formula has shifted to Blaine covering over three-quarters of the cost of the Fire Department budget. In reviewing the JPA, the SBM Administrative Committee recognized that the fixed percentage split, rather than a formula-based split was a more equitable and transparent way to allocate costs among the members. The proposed amendment to the JPA would freeze the City's shares at Blaine - 76%, Mounds View - 15.5% and Spring Lake Park at 8.5%. This change will provide political stability to the model and provide Spring Lake Park with a voice in the governance of the Fire Department.

Staff recommends approval of the JPA as proposed. This is consistent with the direction the City Council provided staff at its June 15 work session.

If you have any questions, please don't hesitate to contact me at 763-784-6491.