

Summary, St. Francis–Bethel Joint Powers Agreement (JPA) for Fire Services

Introduction

This expanded white paper provides a detailed breakdown of the draft Joint Powers Agreement (JPA) between the City of St. Francis and the City of Bethel. The JPA establishes a unified fire district to improve efficiency, reduce duplication, and ensure long-term sustainability of fire and emergency services. The following sections summarize the key provisions, with expanded details on governance, financial obligations, operations, and legal protections.

Preamble & Recitals

The preamble cites Minnesota Statutes §§ 412.221 and 471.59 as the legal authority. It establishes that both cities currently provide their own fire protection services but recognize that a joint district will provide better efficiency and effectiveness. Both cities bring assets: fire stations, apparatus, and equipment. The JPA creates the legal framework for joint ownership, administration, and coordination with outside agencies.

Article I – Name of Organization

Creates a joint fire district (name TBD). The district becomes the recognized public entity responsible for fire services, separate from the individual cities. This allows the district to own property, manage employees, and enter into contracts in its own name.

Article II – Definitions

Defines critical terms to avoid ambiguity. For example, the 'Board' is the governing body, the 'Fire Chief' is appointed by the Board, and 'Fire Services' includes suppression, prevention, EMS, hazardous materials, and technical rescue. It also distinguishes between 'Original Parties' (St. Francis and Bethel) and 'Later Parties' that may join in the future.

Article III – Membership

Allows other governmental units adjacent to the Original Parties to join as members. Admission requires approval by the existing members and compliance with procedures. This ensures future scalability and regional cooperation.

Article IV – Purpose

Establishes that the JPA exists to create a joint powers organization governed by a Board, charged with providing Fire and EMS services within the service area. It ensures consistent delivery of services across both cities under a single administrative structure.

Article V – Effective Date, Commencement & Term

Sets November 1, 2025, as the Effective Date (when the Board first meets) and January 1, 2026, as the date fire services begin. The period in between is a transition phase for organizing policies, procedures, and structures. The agreement remains in force until terminated according to later provisions.

Article VI – Organization & Governance

Creates a five-member Board: two city council members from each city plus one independent At-Large member. Board members must reside within the district, and city employees (former or current) or their relatives cannot serve. The At-Large member provides an outside perspective and is selected through an application and interview process, with a fallback process if tied votes occur. Board members must attend 75% of meetings, are compensated, and may serve up to three terms (extendable to four with a supermajority vote).

Article VII – Execution, Meetings & Officers

Each city must formally authorize the agreement. The Board meets monthly in year one, then at least quarterly. Special and emergency meetings are also allowed. Officers include Chair, Vice-Chair, and Secretary, alternating between cities annually. Both city councils will meet jointly once per year to maintain accountability.

Article VIII – Powers & Duties of the Board

The Board has broad authority: adopt budgets, manage employees, purchase/lease equipment, contract for services, approve policies, enforce safety regulations, oversee pensions, and manage finances. Major capital purchases or facility projects over \$50,000 require approval by both cities. The Board must comply with all Minnesota laws such as Open Meeting Law, Data Practices Act, and Municipal Contracting Law.

Article IX – Financial Matters

Each city contributes to a shared fire fund based on a formula tied to population and tax capacity. The Board manages expenditures and ensures dual signatures for checks. Purchases must comply with state procurement law, and cities may issue bonds for capital projects. This ensures financial transparency and fairness.

Article X – Budget & Fire Fund

The Board submits an annual budget by June 30. Both city councils must approve. If not, both councils must meet to resolve. Payments are made quarterly into the fire fund, which

is managed by the Board or a Fiscal Agent (St. Francis). Surplus funds are reserved for future capital replacements. Quarterly financial reports and annual CPA audits are required. An annual services report includes budget, projections, call statistics, ISO scores, staffing, and equipment inventories.

Article XI – Existing Property

All fire apparatus, vehicles, and equipment currently owned by the cities will be donated to the district on commencement. These become district property for operations. Future purchases are owned directly by the district.

Article XII – Joint Equipment Ownership

Equipment purchased after commencement is owned by the District. Records must be maintained including serial numbers, year, cost, and disposition. If sold, proceeds are credited back to the fire fund.

Article XIII – Real Estate

Each city donates the use of its fire station and land to the District, which then assumes costs for maintenance and improvements. Future facilities may be owned by the District outright, subject to city approval and competitive bidding requirements.

Article XIV – Equipment Use

District equipment may be used within member jurisdictions, contract areas, mutual aid, and emergencies. The Fire Chief has discretion to deploy resources outside the district when necessary for public safety or humanitarian reasons.

Article XV – Termination, Withdrawal & Dissolution

The agreement may terminate by mutual agreement, withdrawal, law, or other reasons. A withdrawing party must give 60 months' notice, pay legal fees, and settle liabilities. Appraisers may be used to resolve disputes. The JPA replaces all prior contracts and automatically renews in 10-year increments.

Article XVI – Employees & Authority

St. Francis firefighters transition to District employment. The District becomes sole employer, handling payroll, benefits, pensions, and workers' compensation. The Board establishes policies and procedures. The Fire Chief or designee shall attend city council meetings quarterly to ensure communication. The District sets operational parameters including, but not limited to response standards, training, apparatus deployment, and dispatching protocols.

Article XVII – Allocation of Resources

The District has discretion to allocate resources when demand exceeds capacity, ensuring decisions are made in the best interest of public safety.

Article XVIII – Liability & Indemnification

The District is a separate legal entity, protecting member cities from direct liability. It indemnifies the cities and complies with Minnesota liability statutes. Liability is limited to statutory caps, and no city assumes responsibility for another's actions.

Article XIX – Insurance

The District must maintain comprehensive insurance coverage, including general liability, auto, property, workers' comp, and errors and omissions. Coverage must exceed statutory municipal liability minimums, with members listed as additional insureds.

Article XX – New Members

New governmental units may join with unanimous approval and must donate assets. They do not gain rights to district assets until after 10 continuous years of membership. A standard buy-in fee of three times the estimated annual budget contribution applies if a new member has no assets.

Article XXI – Volunteer Firefighter Retirement Fund

The District continues participation in the statewide retirement fund under MN Stat. 353G. The District funds contributions annually based on each party's proportional share of the budget.

Article XXII – Dispute Resolution

Disputes must first be addressed through good-faith negotiation, then non-binding mediation if unresolved. Legal remedies remain available afterward. Emergency injunctive relief is permitted to prevent irreparable harm.

Article XXIII – Amendments

Amendments require unanimous approval by governing bodies, must address only one subject matter at a time, and require at least 30 days' notice.

Article XXIV – General Terms

Includes provisions on governing law (Minnesota), data practices compliance, record retention, dispute resolution, authorized signatures, and survivability of obligations. Duration is 10 years with automatic renewal unless notice is given. This section consolidates legal housekeeping provisions.

Overall Purpose & Benefits of the JPA

The St. Francis–Bethel Fire Services JPA provides a comprehensive legal, financial, and operational structure for delivering modern fire services. By consolidating resources and creating a shared governance model, the JPA ensures higher service levels, long-term

cost savings, and enhanced accountability. It provides flexibility for future growth and protects member cities from liability exposure.