

**RESOLUTION APPROVING INTER-LOCAL COOPERATION AGREEMENT
FOR FIRE PROTECTION SERVICES**

WHEREAS, NCGS 160A-461 permits municipalities to enter into inter-local agreements with other governmental agencies for the providing of services; and

WHEREAS, the Town of Huntersville ("Town") and Mecklenburg County ("County") have previously entered into inter-local agreements for the provision of fire protection services to unincorporated areas within the Town's sphere of influence; and

WHEREAS, the parties have agreed to renew such interlocal agreement effective for the period of July 1, 2017 through June 30, 2018.

NOW, THEREFORE, be it **RESOLVED** the attached inter-local agreement between the Town and the County is hereby approved and ratified and the Town Manager and Town Clerk are hereby authorized to execute the said document as the act of the Town.

Adopted this _____ day of July, 2017.

Mayor

ATTEST:

Town Clerk

FIRE PROTECTION SERVICES AGREEMENT

THIS AGREEMENT, made and entered into as of the 1st day of July, 2017 by and between Mecklenburg County, a political subdivision of the State of North Carolina, hereinafter referred to as the "County", and the Town of Huntersville, a North Carolina municipal corporation, hereinafter referred to as the "Town";

Identification:	Town of Huntersville
-Address:	PO Box 664 Huntersville, NC 28070
Telephone:	704-875-3563
Contact Person:	Gerry Vincent
INITIAL TERM OF CONTRACT:	7/1/17 – 6/30/18

RECITALS:

- A. WHEREAS, North Carolina General Statute §153A-233 provides that a county may maintain a fire department and provide financial assistance to incorporated volunteer fire departments (VFD) and may contract for fire-fighting or prevention services with counties, cities, or other units of local government, and may for these purposes appropriate funds not otherwise limited as to use by law; and
- B. WHEREAS, the Mecklenburg Board of County Commissioners has established fire protection service districts that cover the entire unincorporated area of Mecklenburg County and has levied a property tax for every fire protection service district for the purpose of funding fire protection services in the unincorporated area of Mecklenburg County; and
- C. WHEREAS, the Town agrees to contract with the County to provide fire protection services in the area that is within the portion of unincorporated Mecklenburg County which is in the sphere of influence of the Town as shown on the map attached hereto as Attachment A (such area referred to herein as the "District") by exercising the power granted to the County by N.C.G.S. 153A-233 to maintain a fire department and/or to provide financial assistance to incorporated volunteer fire departments in the unincorporated area of Mecklenburg County; and
- D. WHEREAS, the County and Town desire to enter into this Agreement for the Town to furnish fire protection and emergency services for and within the District using either a municipal fire department, or by contracting with one or more incorporated volunteer fire departments that meet the criteria set forth in this Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable considerations, the receipt of which is hereby acknowledged, the parties hereto contract and agree as follows:

SECTION 1. USE AND AMOUNT OF SERVICE TAX LEVIED

The Mecklenburg Board of County Commissioners has agreed to levy and collect a tax each year on all taxable property within District. The amount of such fire protection service district tax levy shall be determined by the Board of County Commissioners from year to year and maintained by the County in a special fund as provided by law and more specifically set out in Section 2 hereunder. Out of this fund, the County shall, to the extent of the taxes collected hereunder, provide funds for fire protection services for the District by appropriating funds for fire protection services to the Town. For each fiscal year, the funds provided to the Town from the fire protection service district tax fund shall be based on the request submitted by the Town to the County and as approved by and deemed necessary by the Board of County Commissioners for furnishing fire protection services within the District. The Town will recommend a tax rate for the District based on their annual budget assessment as it relates to the projected tax rate for fire protection services within the Town.

Fire protection services district tax funds levied and collected by the County and paid to the Town by the County shall be used solely for fire department operations, fire protection and emergency services in the District and other areas of response as dispatched and to meet the standards established by this Agreement.

SECTION 2. ACCOUNT MAINTAINED FOR RECEIPTS FROM SERVICE TAX

A separate account will be maintained by the County for the receipts from the property tax levied for the District. Any fire protection service tax district revenues collected annually in excess of the approved total appropriations shall be maintained in the separate account established by the County, and held for appropriation in future fiscal years to fund fire protection services in the tax district from which collected. The Mecklenburg County Fire Marshall's Office shall make recommendations to the Board of County Commissioners for distribution of these revenues.

The County will pay the approved total appropriations, up to the amount of taxes collected, to the Town in equal monthly payments on the last day of each month.

SECTION 3. PAYMENT PROVISIONS

1. Amount payable each month: \$58,132.50 Total Amount: \$697,590
2. Submit monthly invoices via electronic format to the email address:
LUESA.invoices@mecklenburgcountync.gov.
3. Electronic invoices must be submitted in accordance with the following privacy and security requirements:

- a. The Service Provider shall adopt and apply data security standards and procedures that comply with all applicable federal, state, and local laws, regulations, and rules.
 - b. Electronic exchange of confidential information, including any email which will include invoices, billing information, employee or administrative data, or any information regarding the delivery of services, must be sent and received via encrypted methods.
4. Payment will be made via electronic funds transfer.
5. Town will submit an invoice by the fifth (5th) of each month. The total amount paid under the terms of this Agreement shall not exceed the maximum amount payable in #1 above.
6. The first invoice will be due no later than August 15, 2017 for services rendered from July 1st through July 31th of the current year and will be paid providing the contract has been fully executed.
7. Upon receipt, the invoice will be validated and verified for accuracy and submitted to Finance for payment. Incorrect invoices will be clarified with Town with corrections/changes made on a revised invoice.
8. The date of the revised invoice will be considered as the original date of the invoice.
9. County will authorize approved amounts to be paid to Town.
10. Failure to send requests to the appropriate person may result in payment being delayed beyond thirty (30) calendar days.
11. For services rendered from June 1st through June 30th of the previous year, the invoice will be due no later than July 5th of the current year. Late billings must be submitted for payment no later than sixty (60) calendar days from the date of service. If billing is over (60) calendar days, the County may deny payment.

SECTION 4. SERVICES FURNISHED BY TOWN

The Town will furnish fire protection and other emergency services twenty four (24) hours per day, seven (7) days per week, 365 days per year as determined and approved by the Town's governing body and as contracted for by the County within the District and shall provide the necessary equipment, personnel and those things necessary for furnishing such protection in the District, or shall contract with one or more incorporated volunteer fire departments to provide such services. The services shall be in accordance with minimum standards set forth in this Agreement and all future amendments adopted in accordance with Section 16 of this Agreement. The Town shall furnish said fire protection in the District without charge (other than the service district tax funds) to all persons and property located in the District in an efficient and workmanlike manner. This provision shall not prohibit the Town from entering into contracts with the Federal, State or local governments, or utility companies for the provision of fire protection services exceeding the scope of this Agreement for a fee. This provision shall not prohibit the Town from billing for certain

services, including but not limited to hazardous materials mitigation responses nor shall this provision prohibit the Town or volunteer fire departments from additional fundraising, memberships dues or similar funding.

SECTION 5. BOOKS AND RECORDS

The Town shall maintain a written accounting system which provides adequate documentation of all of its receipts and disbursements including, but not limited to, those related to the expenditure of funds subject to this Agreement (it being acknowledged and agreed that the Town is not required to maintain separate accounting for fire and emergency related services provided within the Town corporate limits and outside the Town corporate limits). The County may inspect the financial books and records of the Town at reasonable times during regular business hours of the Town during the Term of this Agreement for up to three (3) years after the end of the Term of the Agreement. The Town agrees that it will supply such financial books, records, and information or verification as may be reasonably requested by the County.

SECTION 6. AUDIT

The Town shall provide to the County an audit and accompanying management letter prepared in accordance with generally accepted accounting principles and generally accepted auditing standards.

In the event that the audit or management letter reveals any reportable and/or material issue(s) related to Town fire operations, including those provided in the District, with regard to compliance with generally accepted accounting principles, the Town shall provide a written statement to the County that contains an explanation of each such issue and an action plan (with implementation timetable) for resolving each such issue, and shall provide periodic reports to the County on progress made in resolution of each issue.

SECTION 7. DECISION MAKING PROCESS OPEN TO PUBLIC

The Town acknowledges that it is a public body subject to the provisions of N.C.G.S. Chapter 143, Article 33C and agrees to comply with all provisions of said statute in conducting any decision making process required by the terms of this Agreement.

SECTION 8. NOTICE OF FAILURE TO MAINTAIN DELIVERY OF SERVICES

In the event that the Town's governing body determines that the Town is unable to reliably deliver the services described herein, for reasons including, but not limited to, resignation or withdrawal of volunteers, part-time or full-time members, or other reasons for loss of ability to deliver services, the Town shall immediately so notify the County.

SECTION 9. TOWN'S USE OF FUNDS

The Town shall use the funds subject to this Agreement in accordance with the annual Town Budget. This budget may be amended by the Town within the approved total appropriations made available by this Agreement. All service tax funds provided by the County to the Town must be used for furnishing fire protection and emergency services within said District. For each year of the term of this Contract and as part of each parties annual budget process, the Town Manager and County Fire Marshal shall agree in writing to a mutually agreeable method to demonstrate compliance with this Section.

SECTION 10. INSURANCE AND INDEMNIFICATION

The Town and its contracted VFD shall obtain and keep in force during the term of this Agreement the following minimum insurance coverage. All required insurance shall be procured from insurance companies licensed to do business in North Carolina and Workers' Compensation. Coverage shall be maintained continuously during the term of this agreement. The Town shall be responsible for purchasing or assuring the provision of such insurance coverage for both regular employees and volunteers.

- A. Worker's Compensation: Coverage A – Statutory – State of North Carolina. Coverage B – Employers Liability - \$100,000 each claim.
- B. Comprehensive General Liability, Including Medical Malpractice and Errors and Omissions: Coverage with minimum limits of \$1,000,000.00 per occurrence combined single limit for bodily injury liability and property damage liability.
- C. Business Auto Policy: Coverage with minimum limits of \$1,000,000.00 per occurrence combined single limit for bodily injury liability and property damage liability. This shall include owned vehicles, hired and non-owned vehicles and employee non-ownership.
- D. Management Liability/Directors and Officers Liability: Coverage with minimum limits of \$1,000,000.00 per claim and \$2,000,000.00 aggregate.
- E. Umbrella Liability: Coverage with limits of \$2,000,000.00. Coverage shall excess the underlying auto liability, employer's liability, general liability including Medical Malpractice and Errors and Omissions liability. There shall not be any "drop down deductibles" in areas where underlying coverage is not required but the Umbrella Policy provides coverage.
- F. Fidelity Bonds: A blanket fidelity bond shall be purchased in the amount of not less than \$100,000.00.

To the extent permitted by law, the Town shall indemnify and save harmless the County, its officers, agents, and employees from and against all loss, cost, damages, expense and liability caused by accidents or other occurrence resulting in bodily injury, including death, sickness and disease to any person arising directly or indirectly from the negligence of the Town in performance of its obligations under this Agreement. The provisions of this Section shall survive the termination of this Agreement.

SECTION 11. STANDARDS OF PERFORMANCE.

The Town shall furnish fire protection and emergency services in a professional, efficient and workmanlike manner, in particular so as to meet the requirements of and comply with rules and regulations of the North Carolina Office of the State Fire Marshal, the North Carolina General Statutes, and other pertinent federal, State and County laws, regulations and standard.

The Town shall annually furnish documentation to the County certifying and/or verifying that the Town fire department or volunteer fire department servicing the District is in compliance with the minimal ISO performance standards, as well as the rules and regulations, as set forth by the North Carolina Department of Insurance, the North Carolina Office of State Fire Marshal, and the North Carolina General Statutes.

SECTION 12. RELATIONSHIP OF PARTIES

The County and the Town agree that the Town shall operate and act as an independent contractor of the County, and the County is in no way responsible for the administration and supervision of the officers, employees, subcontractors, and agents of the Town, which persons it is agreed are not the officers, employees, subcontractors, and agents of the County.

SECTION 13. TERM OF AGREEMENT

This agreement shall become effective as of July 1, 2017, and shall automatically renew from fiscal year to fiscal year unless terminated by either party in accordance with Section 15 of this Agreement or replaced with a new contract in the future.

SECTION 14. NON-ASSIGNABILITY

This Agreement may not be transferred, assigned, or subcontracted by the Town without the prior written consent of the County.

SECTION 15. TERMINATION

This Agreement may be terminated in the following manner:

- (a) By either party for breach that has not been cured within thirty (30) days after written notice of the breach;
- (b) At any time by mutual consent; and
- (c) By either party without cause upon advance written notice to the other party, served upon the other party by certified mail at least ninety (90) days prior to the date of termination. Failure of the Town and the County to agree on the level of funding (or the Town Budget) for fire protection and emergency services shall require at least ninety (90) days' notice to terminate if the County provides at least the same level of funding as provided during the previous fiscal year.

SECTION 16. AMENDMENTS

Any amendment to this Agreement shall be made in writing and signed by both parties in order to be effective.

SECTION 17. NOTICES

Any notice, consent or other communication required or contemplated by this Agreement shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, by electronic mail or by telefax as follows:

To the County: See **CONTRACT SUMMARY B2a.**

To Town: See **CONTACT SUMMARY B1a.**

Notice shall be effective upon the date of receipt by the intended recipient; provided that any notice, which is sent by telefax or electronic mail, shall also be simultaneously sent by mail deposited with the U.S. Postal Service or by overnight courier. Each party may change its address for notification purposes by giving the

other party written notice of the new address and the date upon which it shall become effective as noted below:

A. Area to be served in Mecklenburg County is as identified on the attached Map (see Attachment A).

B. Agreement Identification:

1. Town: Huntersville
 - a. Name of Agreement Administrator: Gerry Vincent
 - b. Telephone Number: 704-875-3563
 - c. E-mail: gvincent@huntersville.org
 - d. Name of Program Contact: Same as Above
 - e. Telephone Number:
 - f. E-mail: Fax:
 - g. Name, Location, and Mailing Address: PO Box 664, Huntersville, NC, 28070
 - h. Status: ☒ MUNICIPALITY
 - j. Federal Tax Identification Number: 56-6001252

2. County

- a. Name of Agreement Analyst: Bob Iannucci
- b. Telephone Number: 980-314-2542
- c. E-mail: Robert.Iannucci@Mecklenburgcountync.gov
- d. Fax: 704-602-6921
- e. Name of Program County Fire Marshal: Ted Panagiotopoulos
- f. Telephone Number: 980-314-3070
- g. E-mail: Ted.Panagiotopoulos@mecklenburgcountync.gov
- h. Fax:
- i. Address of Department: Office of Fire Marshal/LUESA
2145 Suttle Avenue
Charlotte, NC 28208

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their names by their duly authorized officers as of the day and year first above written.

TOWN OF HUNTERSVILLE

BY: _____
Mayor or Town Manager

Attest:

BY: _____
Town Clerk

Approved as to Form

Town Attorney

**Town of Huntersville
Recommended Tax Rate
For
Huntersville ETJ Fire Protection Service District**

The Town of Huntersville recommends a FY18 tax rate of **5 cents/\$100.00** of assessed property value in the Huntersville ETJ Fire Protection Service District. This tax rate will fund an established level of services within the fire protection service district.

That amount of **\$697,590** is requested to be paid to the Department under this contract, providing sufficient funds are collected by the identified tax rate.

We also request this amount be reflected in the BOCC Final Budget Ordinance and Mecklenburg County Contract Control Sheet.

Date:

Town Manager:

Signature: _____