



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: John Betten, Chief of Police
Walter Denton, City Administrator
Date: October 20, 2008
Subject: Intergovernmental Agreement between the City and the O'Fallon, Shiloh Valley Caseyville Fire Protection District.

List of committees that have reviewed: Public Safety

Background: For many years, the O'Fallon Fire Department and the O'Fallon, Shiloh Valley, Caseyville Fire Protection District has combined equipment and resources for the purpose of providing Fire and Emergency Medical Services to their respective jurisdictions. While a formal Intergovernmental Agreement has existed for the joint operation of the Department of Emergency Medical Services, no formal agreement has existed for the Fire Department. The McGrath Fire Department study recommended that we formalize the relationship with an Intergovernmental Agreement that gives the City the responsibility for the day-to-day operations of the Fire Department. The highlights of the proposed agreement are as follows:

1. The agreement is for a period of 5 years and it renews automatically if neither party chooses to terminate.
2. The agreement calls for the Rural District to provide a "bill of sale" to the City for all of its equipment, apparatus and interest in Fire Station #2 (currently, they own a portion of the improvements at that location that we lease back from them). If the agreement terminates, we would return to them any equipment or apparatus that we still had in our inventory or the "insurance replacement value" of any assets disposed of prior to the termination. Regardless of the termination, the City would retain full ownership of Station 2. Obviously, the City is responsible for maintenance of all equipment and buildings and, for all day-to-day operations.

3. There is very clear language about how equalized taxation would be achieved and the intent of both parties to insure that residents of both bodies share the tax burden equally, based upon the value of their property. In addition it requires the Rural District to share all revenues with the City (TIF for example) minus the amount they need to cover administrative costs. They will continue to tax to pay for their new Fire Station separately from the levy to fund operations. The agreement also requires both bodies to adopt the same fire codes and ordinances.

4. The agreement calls for an “advisory committee” will consist of 3 members, 1 appointed by each body and 1 appointed by mutual agreement.

Legal Considerations, if any: Counsel for both entities have reviewed this agreement and agree with the course of action.

Budget Impact: None

Staff recommendation: Approval