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JAN 25 2007

Melanie Sala-Friedrichs/COC
01/24/2007 03:03 PM

To CityClerkDivision
cc
bcc

Subject Fw: County Island fire protection in Chandler

----- Forwarded by Melanie Sala-Friedrichs/COC on 01/24/2007 03:03 PM -----



<jeffgerber@cox.net>
01/24/2007 02:38 PM

To chandler@azrepublic.com
cc Mayor&Council@chandleraz.gov,
fbrock@mail.maricopa.gov, wnichols@azleg.gov,
syarbrough@azleg.gov, jtibshraeny@azleg.gov
Subject County Island fire protection in Chandler

Dear AZ Republic,

In response to your question in today's edition of the Chandler Republic (1/24/2007) of who should foot the bill for providing fire protection in county islands.....

It's obvious that the residents who live in those county islands should pay THEIR FAIR SHARE for that service.

I live in a county island within the planning area of Chandler. Interestingly enough, the county island that I live in is not shown on the map that you printed in today's edition. My county island is at the SEC of Chandler Blvd and Gilbert Road. This is a small county island that has multiple parcels that include single family homes built in the mid-90's (where I live), patio homes/townhomes, mobile home communities, etc. I can only assume that the City of Chandler recognizes that this county island exists.

I have had discussions with various City of Chandler officials regarding fire protection within my county island since Rural Metro announced their intentions of leaving the area about 3 years ago. I've always received warm responses from Chandler officials and indications that they wanted to 'do the humanitarian thing' and see that we were protected. They have also continually indicated that they have strong concerns regarding the liability issues which might arise from them providing fire protection services to those county island residents. The City has indicated a willingness to talk to the County about how to address those issues, and conversely the County (mostly through Commissioner Fulton Brock) has indicated a willingness to talk to the City. Nearly 3 years have passed and the talking points between each governmental entity remain the same. To the City of Chandler's credit, Rural Metro has moved their fire station from Gilbert to Queen Creek but the City of Chandler has announced that they will continue to provide mutual aid to Rural Metro. Simply, if a county island resident maintains paid subscription service with Rural Metro the City of Chandler will provide fire protection for the property without charging the homeowner a fee for fighting a fire at the property. Both Rural Metro and the City of Chandler should be commended for striking this interim agreement to provide fire protection to county island residents. The City of Chandler has 'floated' several ideas on how to charge county island residents for fire protection, should the liability issues be resolved. Most of those ideas involve costs to the county island residents multiple times the annual subscription fee charged by Rural Metro. The City has also

suggested that they want to see some type of minimum participation by county island residents to a subscription fee. That is a point that just cannot be mandated. The City and Rural Metro have both historically seen that historical subscription participation is around 50%. To expect anything else is unrealistic. It has become obvious to anyone watching this problem develop that the chances of the Cities involved and the County coming to any type of mutually acceptable agreement is virtually nil. Each is looking out for their own best interests, and is probably correct to do so. The big problem with this loggerhead is that there are hundreds of homeowners in county islands in Chandler and many more in Gilbert and probably other towns and cities who either do not have assured fire protection for their homes or are on the verge of losing that protection. Without assured fire protection, home owner insurance will increase greatly or be canceled by the carrier. Without insurance, mortgages will be in jeopardy or called due immediately. Are the County and the affected Cities ready to have hundreds or perhaps thousands of people lose their homes and have what become unsalable properties to anyone but cash buyers as a result of their actions (or inactions)? This is a very serious issue and one that needs immediate and definitive attention.

The real solution to this problem is for the State Legislature to address the issue. It is my understanding that current law prohibits County governments from collecting a tax or assessment for fire protection to all property owners. Cities and towns are allowed to do so, why not Counties? I recognize that sparsely populated Counties will probably need to be treated differently than Counties located within major metropolitan areas, but these changes need to come at the State level. The changes need to address the problem and offer a solution that is reasonably priced for the individual property owners. It seems reasonable to assume that a governmental entity should be able to provide a service at a cost that is comparable to the cost from a private provider. Certainly the governmental entity could expect payment/participation from more than 48% to 52% of the property owners that chose to participate in subscription service offers.

Let's hope that our elected officials will recognize that now is the time to abandon the posturing that has taken place over the past several years and actually work to solve this problem facing thousands of Arizona residents.

Respectfully,
Jeff Gerber
13334 E Jupiter Way
Chandler, AZ 85225
602-330-7272



Chandler • Arizona
Where Values Make The Difference

#40

JAN 25 2007

MEMORANDUM Fire

DATE: JANUARY 25, 2007
TO: MAYOR AND CITY COUNCIL
THRU: W. MARK PENTZ, CITY MANAGER
FROM: JIM ROXBURGH, FIRE CHIEF
SUBJECT: COUNTY ISLAND FIRE PROTECTION

RECOMMENDATION: That Council approves the IGA regarding Fire Protection on County Islands that bills the County for 100% of the costs of providing service, or approves the IGA regarding Fire Protection on County Islands that does not require any minimum participation level, or approves waiting for State legislation and continuing service as is.

BACKGROUND/DISCUSSION: The County Island Fire Protection Issue was brought forth to Council at the December 7, 2006 Council Meeting. A briefing of the issue by staff and public input was received at this meeting. The Council directed the Public Safety Subcommittee of the Council to look further into this issue and report back to the Council at the January 25, 2007 meeting.

Two meetings of the Public Safety Subcommittee were held, December 27, 2006 and January 10, 2007. At the first meeting many issues were discussed and staff was directed to develop options that would incorporate the discussion of the Subcommittee members. Staff developed six options for the Subcommittee to consider regarding County Island Fire Protection.

At the second meeting, the Subcommittee was presented with six options developed by staff. The Subcommittee voted to bring forth to the Council three of the discussed options. All of the options include provisions for indemnification and for the County to do the billing for services. They all also include for the County to pay the City for uncollected "non-subscriber" costs incurred.

- Option #1 – Bill the County for 100% of the costs of providing service and respond to all County Island parcels.
- Option #5 – Do not require any minimum participation level (or lower the level to a true minimum). Collect subscription fees up-front from those that participate and bill non-subscribers after services are provided.
- Option #6 – Wait for new legislation and continue service as is.

FINANCIAL IMPLICATIONS: There are significant financial implications between Options #1 and #5. Option #1 would assure that we receive all costs of service up-front with no dispute potential associated with providing services to non-subscribers. Option #5 would only allow us to collect fees from those that subscribe up-front and the City would have to bill those that receive services who do not subscribe. We are asking the County to agree to pay for non-subscribers if the City is unable to collect directly from them for services provided. The financial implications of Option #6 are unknown.

PROPOSED MOTION: Move that Council approves the IGA associated with Option #1, the IGA associated with Option #5 or approves Option #6 waiting for State legislation and continuing service as is.

DRAFT 01/10/07

SUBSCRIPTION OPTION

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement (“IGA” or “Agreement”) is made and entered into this ____ day of _____, 2006, by and between the CITY OF CHANDLER, an Arizona municipal corporation (“City”) and MARICOPA COUNTY, a political subdivision of the State of Arizona (“County”), collectively referred to in this IGA as “the parties”.

RECITALS:

WHEREAS, Arizona Revised Statutes, Section 11-951, *et seq.* provides that public agencies may enter into intergovernmental agreements for the provision of services or for joint or cooperative action; and

WHEREAS, pursuant to amendment to Arizona Revised Statutes, Sections 9-500.20, 9-500.23, and 11-251 and 11-251.12, adopted in 2004, a city may provide fire and emergency medical services (“emergency services,”) outside its corporate limits to county islands pursuant to an intergovernmental agreement between a county and that city. A county island is statutorily defined as unincorporated territory surrounded on all sides by a city or where the unincorporated territory has borders that involve a combination of a city and other municipalities or a reservation; and

WHEREAS, there are currently several owners of record of county island property located within both unincorporated Maricopa County and the City’s general planning area (“Maricopa Islands”); and

WHEREAS, some owners of property within Maricopa Islands do not have any emergency services provider under contract and are, therefore, either unprotected or are not paying for services that may be provided during an emergency; and

WHEREAS, the only private provider of emergency services currently offering services on a contract basis to owners of property within Maricopa Islands has informed the City and the County of its intent to cease providing these services.

WHEREAS, the parties believe that a comprehensive program to provide emergency services to Maricopa Islands is necessary for the safety and well being of all owners of record in Maricopa Islands and, to a lesser extent, owners of parcels within City limits located near Maricopa Islands; and

WHEREAS, the City is willing to provide emergency services for property within Maricopa Islands provided that the cost of these services are not borne by City and that City fire fighting personnel are not put at greater risk of death or injury due to

infrastructure and hazardous materials storage concerns than they would be when responding to emergencies within City's city limits; and

WHEREAS, under the aforementioned circumstances, the County, pursuant to A.R.S. § 11-251.12, is required to enter into an intergovernmental agreement with the City to provide emergency services to its citizens living within Maricopa Islands.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained in this IGA and other good and valuable consideration, the adequacy of which is hereby acknowledged, the parties agree as follows:

1.0 Participation and Area Covered.

1.1 Area Covered. This IGA regarding the provision of emergency services only includes property located within Maricopa Islands, as that term has been defined herein.

1.2 Map. The Maricopa Islands existing at the inception of this IGA, and which are the subject of this IGA, are generally depicted on the map set forth in Exhibit "A", which is attached hereto and incorporated herein through this reference. The County shall update this map on an annual basis during the term of this IGA on or before April 1 of each year or on such other date as mutually agreed to by the parties.

1.3 Participation. By April 1, 2007, and on April 1 of each year thereafter, the County shall provide the City with a list setting forth each Maricopa Island property that has executed a subscription agreement and paid the annual fee for emergency services to be provided by the City for the next year ("Covered Properties") together with a map showing the location of such Covered Properties in a format agreed upon by the parties. The County shall issue a single check payable to the City that covers the annual fee for all of the Covered Properties with the participation documentation identified above.

1.4 Update of Participation List During the Year. The County may update the list of Covered Properties submitted for a given year pursuant to Subsection 1.3 on October 1 of each year by providing the prorated portion of the annual fee and the applicable participant documentation for all additional Covered Properties.

1.5 Covered Properties Documentation. The County shall be responsible for providing documentation to the owners of the Covered Properties confirming that the City will provide emergency services pursuant to this IGA. The City shall not be responsible or liable for any error or mistakes associated with such notification or with the invoices and collection procedures undertaken by the County pursuant to this IGA.

2.0 Scope of Service.

2.1 Equivalent Response. The City will, commencing on July 1, 2007, and annually thereafter during the term of this Agreement, respond to calls for emergency services to Covered Properties, except for Covered Properties added late pursuant to Subsection 1.4 of this IGA for which the City shall respond to calls for emergency services commencing on January 1, 2008. Subject to the limitations on service set forth in Sections 5.0 and 6.0 of this IGA, the City shall provide emergency services to Covered Properties in the same manner that it provides such services within City's city limits. The City is not undertaking any additional duty to act, or guaranteeing any response time, by virtue of executing this IGA. The same incident risk management profiles that guide emergency response decisions within City's city limits shall be used with respect to services provided to the Covered Properties.

2.2 Maricopa Islands that are not Covered Properties. Consistent with the provisions of A.R.S. § 9-500.20, the City may provide emergency services to property located within Maricopa Islands that are not Covered Properties. The City is not undertaking any additional duty to act, or guaranteeing any response time, by virtue of responding to Maricopa Islands pursuant to this Subsection. The same incident risk management profiles that guide emergency response decisions within City's city limits shall be used with respect to services that it may provide to Maricopa Islands pursuant to this Subsection.

2.3 Safety Issues. As set forth in Sections 5.0 and 6.0 of this IGA, the City's response to an emergency call to either a Covered Property or other property within Maricopa Islands may be impacted by certain safety or infrastructure related issues.

3.0 Cost of Service.

3.1 Annual Fee. The annual fee to be charged by the City for providing emergency services to each Covered Property pursuant to this IGA shall be the most current per parcel fee for such services formally adopted by the Council for the City pursuant to Chapter 27, Code of the City of Chandler and shall provide the City with the full cost of providing such services, including, without limitation, indirect, direct, fixed, capital and overhead costs.

3.2 Per Response Charges for Response to Maricopa Islands that Are Not Covered Properties. The amount to be charged by the City for providing emergency services to Maricopa Islands that are not Covered Properties shall be the most current charges for such per response services

formally adopted by the Council for the City pursuant to Chapter 27, Code of the City of Chandler and shall provide the City with the full cost of providing such services, including, without limitation, indirect, direct, fixed, capital and overhead costs.

3.3 Notice to County of Changes to Fees. The City shall notify the County of any City Council meeting during which any proposed change to the fees for providing emergency services will be acted upon.

3.4 Segregation of Funds. Fees received by the City under this IGA shall be kept in a fund that is only used to provide emergency services in the City's general planning area and shall not be used for the general obligations of the City.

4.0 Collection, Payment and Terms of Service.

4.1 Notification and Invoice. The County shall be solely responsible for notifying Maricopa Islands property owners of the ability to obtain emergency services from the City upon payment of an annual fee and submission of documentation and shall invoice these residents for such annual fee. The County shall also notify these residents of the cost of the per response charge if the annual fee is not paid. The basis for the amount of the annual fee billed to each property owner shall be identified in the invoice submitted and be consistent with Subsection 3.1 of this IGA. Any fee added to cover the County's administrative costs shall be separately identified in the invoice submitted.

4.2 Responsibility for Collection from Covered Properties. The County shall be solely responsible for collecting and enforcing the fees to be paid by owners of the Covered Properties. The County shall be solely responsible for all administrative and other costs associated with billing and collection of the fees to be paid to the County pursuant to this IGA and will have sole discretion as to how to conduct these billing and collection activities. The County shall remit a single check for all Covered Properties to the City pursuant to Subsection 1.3 of this IGA.

4.3 Responsibility for Collection of Other Response Costs. To the extent that the City provides emergency services to persons or property within Maricopa Islands that are not Covered Properties, the persons or property owners receiving such emergency services shall be invoiced by the City for the costs of such services as set forth in A.R.S. § 9-500.20. If the City does not collect from the persons or property owners receiving such emergency services within thirty (30) days of invoicing for such response costs, the City shall assign its right to collect under A.R.S. § 9-500.20 to the County and invoice the County for these costs. The County shall pay the City the amount invoiced within thirty (30) days of invoice.

The County shall be solely responsible for all administrative and other costs associated with collecting such response costs pursuant to A.R.S. § 9-500.20 and will have sole discretion as to how to conduct such collection activities. Upon assignment of its collection rights to the County, the City shall provide reasonable assistance to the County regarding the County's attempts to collect costs pursuant to A.R.S. § 9-500.20.

4.5 Survive Termination. The provisions of this Section 4.0 shall survive termination of this IGA.

5.0 Safety Issues.

5.1 General. While the City is willing to provide emergency services to property within Maricopa Islands pursuant to this Agreement, it is acknowledged that the City has a need to protect the safety of its emergency response personnel and that certain infrastructure issues and hazardous material storage practices, which would not be permitted in the City, may currently exist within Maricopa Islands, increasing risk to first response personnel. It is also acknowledged that, where such infrastructure issues and hazardous material storage practices are implicated, this may limit the scope and effectiveness of the services that City can provide under this IGA to property located within Maricopa Islands.

5.2 Bridges. It is acknowledged that the City may not be able to respond to an emergency, or may need to alter its typical or preferred response methodology, where access to property within Maricopa Islands requires the crossing of a bridge that has not been demonstrated to satisfy the requirements of Section 103.2 of the 2003 edition of the International Fire Code. Any demonstration of compliance with this bridge standard offered by the County must be to the satisfaction of the City's Fire Chief.

5.3 Site Access. It is acknowledged that the City may not be able to respond to an emergency, or may need to alter its typical or preferred response methodology, where the street leading to property within Maricopa Islands is not adequately designed or maintained to support large or heavy emergency response vehicles or where access to the site is otherwise limited by structural issues.

5.4 Water Supply. It is acknowledged that the City will be severely limited in its ability to provide effective fire service to property within Maricopa Islands without proximately located fire hydrants or where any proximately located hydrants have inadequate water pressure. It is also recognized that the City's ability to haul water to property within Maricopa Islands is quite limited.

5.5 Hazardous Substances. It is acknowledged that the City will be limited in its ability to provide effective emergency services to property within Maricopa Islands that may store or use hazardous materials where the quantities, location and handling practices for these hazardous materials are not documented and provided to the City prior to response and where such location and handling practices are not in compliance with Section 2701.5.3 of the 2003 edition of the International Fire Code.

5.6 Structural Integrity. It is acknowledged that the City will be limited in its ability to provide effective emergency service for structures located on property within Maricopa Islands, particularly for commercial structures, without documentation as to the composition, room location and structural integrity of those structures prior to response and where the structure does not comply with the provisions of Section 110.1 of the 2003 edition of the International Fire Code relating to structural integrity.

5.7 Knowledge of Hazards. It is acknowledged that the City will generally not enter into a commercial structure where hazardous materials may be stored unless the City has been given prior access to the property to become familiar with the operations, contents and physical characteristics of the structure and the operations and physical characteristics of the structure generally conform to standards set forth in the 2003 edition of the International Fire Code.

5.8 Other Issues and Universal Precautions. It is acknowledged that the recitation of some safety-related issues in this Section 5.0 is not meant to be all-inclusive. It is acknowledged further that the City will generally use “universal precautions”, whereby it assumes the worst, when dealing with unknown conditions while providing emergency services pursuant to this IGA.

6.0 Notice Regarding Safety Issues.

6.1 Notification of Safety Issues. Neither the City nor the County shall have any obligation under this IGA to inspect for, or notify the other of, any of the safety-related issues set forth in Section 5.0 that may exist on a property within Maricopa Islands. Either party may, however, notify the other of safety issues that it discovers.

6.2 No Code Enforcement. Notwithstanding the limited ability to enter structures pursuant to Subsection 5.7 of this IGA, neither the City nor the County is granted any right to enforce the other's codes that may apply to property within Maricopa Islands by virtue of this IGA and neither party has an obligation to act in an inspection or code enforcement capacity under this IGA. Either party may, however, review structural and operational issues with property owners located within Maricopa Islands,

make recommendations based on such reviews, and report code compliance issues that it discovers to the State Fire Marshall, the other party or other applicable regulatory agencies.

6.3 No Duty to Report. The City shall not have any obligation or duty to notify the owner of property within Maricopa Islands, or the State Fire Marshall, of any safety issues discovered (as generally set forth in Section 5.0 of this IGA), or the impact those safety issues may have on the emergency services provided under this IGA. It shall not, however, be a breach of this IGA for the City to notify the owner of property within Maricopa Islands, or the State Fire Marshall, of any safety issues discovered or the impact those safety issues may have on the emergency services provided under this IGA.

7.0 Term.

7.1 Commencement and Expiration. This IGA shall commence on the date the parties have executed it and, unless renewed, amended or terminated early, end on June 30, 2009.

7.2 Early Termination. This IGA may be terminated early under any of the following circumstances:

7.2.1 Breach. A party to this IGA may terminate this IGA if the other party breaches a material provision of this IGA and the breach has not been cured after notice, if required under Subsection 9.1.

7.2.2 No More Maricopa Islands. This IGA shall terminate at such time, if any, that there are no longer any Maricopa Islands.

7.2.3 Pre-emptive Legislation. This IGA shall terminate at such time, if any, that new legislation is adopted that requires that emergency services be provided to County Islands in a manner contrary to that set forth in this IGA.

7.2.4 For Any Reason With Notice. Either party may terminate this IGA for any reason upon giving the other party written notice of its intent to terminate at least one (1) year prior to termination.

8.0 Indemnification.

8.1 By County. The County shall indemnify and hold harmless the City, its officers, agents and employees from and against claims or

expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected by reason of injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence of the County, its agents, servants, employees, contractors or subcontractors in the execution of the County's obligations under this Agreement or in connection therewith. In case any suit or other proceeding shall be brought on account thereof, the County, at the request of the City, will assume the defense at the County's own expense and will pay all judgments rendered therein. This indemnification specifically includes any claim or expense associated with the City opting not to provide emergency services, or limiting the scope of the emergency services provided, for a particular property within Maricopa Islands pursuant to Subsection 2.3 of this IGA.

8.2 By City. The City shall indemnify and hold harmless the County, its officers, agents and employees from and against claims or expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected by reason of injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence of the City, its agents, servants, employees, contractors or subcontractors in the execution of the City's obligations under this Agreement or in connection therewith. In case any suit or other proceeding shall be brought on account thereof, the City, at the request of the County, will assume the defense at the City's own expense and will pay all judgments rendered therein.

8.3 Additional Indemnification. In addition to the indemnification provisions set forth in Subsection 8.1 above, the County shall indemnify and hold harmless the City, its officers, agents and employees from and against claims or expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected to by reason of injury or death of any person, or loss or damage to any property directly contributed to or directly caused by:

8.3.1 Safety Issues. The City's provision of emergency services to any person or property located within Maricopa Islands under this IGA to the extent that such claims or expenses, including penalties and assessments, and attorneys' fees, are attributable to services that were adversely impacted by the existence of an infrastructure or safety issue set forth in Section 5.0 of this IGA within the Maricopa Islands at issue unless the City's provision of such emergency services was determined to be grossly negligent;

8.3.2 Code Enforcement. A lack of applicable fire and building code enforcement regarding structures located on property within Maricopa Islands or any lack of notice of a safety issue to any owner of property within Maricopa Islands; and

8.3.3 Clean-Up and Spills. Any liability or claim associated with those services excluded under Section 10 of this Agreement.

8.4 Dispute Resolution. The parties agree that in the event that there is a dispute regarding indemnification under this Agreement that the matter shall be submitted to the American Arbitration Association in Phoenix, Arizona and that such controversy shall be determined under their then existing rules and that such decision which may be in the form of an award of damage against one party and in favor of the other party or otherwise, shall be final and binding upon both parties. Unless otherwise agreed by the parties, the prevailing party in the arbitration shall be entitled to recover against the non-prevailing party its attorney's fees, expert witness fees and other reasonable costs in connection with the arbitration.

8.5 Survive Termination. The provisions of this Section 8.0 shall survive termination of this IGA.

9.0 Breaches.

9.1 Notice and Opportunity to Cure. Unless a breach of, or default under, this Agreement will result in an imminent threat to public health, safety and welfare, the non-defaulting party shall provide the defaulting party written notice of the alleged breach or default and a reasonable opportunity to cure such breach or default prior to such breach or default becoming actionable.

9.2 Dispute Resolution. Prior to conducting any litigation relating to this Agreement, the City and the County shall negotiate in good faith and attempt to resolve any dispute, controversy or claim arising out of or relating to this Agreement or the breach.

10.0 Other Limitations.

10.1. Spills. The City shall not be responsible for, or provide any response relating to, a spill, leak or other release of hazardous materials pursuant to this Agreement.

10.2 Clean-Up. The City shall not be responsible for, or provide any clean-up or response relating to, debris, residue or waste generated by an emergency response pursuant to this Agreement.

11.0 Miscellaneous.

11.1 Notices. Unless otherwise provided in this IGA, all notices, demands, requests, consents, approvals and other communications (collectively, "Notices") required hereunder shall be given by certified U.S. mail, postage prepaid or personally delivered, against receipted copy, at the address set forth below or at such other address as either party shall, from time to time, designate in writing to the other by notice given in the same manner specified in this paragraph. Notices shall be deemed received upon receipt, shall be evidenced by a receipted copy (in the case of notices that are personally delivered), or as evidenced by the postal service receipt.

City of Chandler
Attn.: Fire Chief
221 East Boston Street, MS 801
Chandler, Arizona 85225

Maricopa County Assessor
Attn.: Joan Blackburn
Manager, Support Services
301 West Jefferson Street, Suite 130B
Phoenix, Arizona 85003-2196

With a copy to:

Office of County Counsel
222 North Central Avenue, Suite 1100
Phoenix, Arizona 85004

11.2 Entire Agreement. This IGA constitutes the entire understanding of the parties and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

11.3 Amendments. Any amendment to or variation from the terms of this IGA shall be in writing and shall become effective only after approval of both parties.

11.4 Counterparts. This IGA may be executed in two or more counterparts, each of which shall be deemed an original but which, when taken together, shall constitute one and the same instrument.

11.5 Cancellation. Each party acknowledges that the other has the right as provided in A.R.S. Section 38-511 to cancel this IGA if, while this IGA or any extension is in effect, any person significantly involved in negotiating, drafting or securing this IGA on behalf of a party is (i) an employee or agent of the other party in any capacity, or (ii) a consultant to the other party with respect to the subject matter of this IGA.

11.6 Governing Law. This IGA is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.

11.7 Attorney's Fees. In the event that either party hereto brings any action or files any proceeding in connection with the enforcement of its respective rights under this IGA as a consequence of any breach by the other party of its obligations under this IGA, the prevailing party in such action or proceeding shall be entitled to have its reasonable attorneys' fees and out-of-pocket expenditures paid by the losing party.

11.8 Headings. The headings used in this IGA are inserted for reference purposes only and do not affect the interpretation of the terms and conditions hereof.

11.9 Good Standing Authority. Each of the parties represents and warrants to the other that it is duly formed and validly existing under the law of Arizona and that the individual(s) executing this Agreement on behalf of their respective party is authorized and empowered to bind the party on whose behalf each such individual is signing.

11.10 Default and Remedies. In the event that a party is in default hereunder, the other party shall have all remedies available to them at law or in equity (including expedited equitable relief) whether under this Agreement or otherwise. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder, other than the indemnification provisions, shall be in addition to and not a waiver or limitation of any duties, obligations, rights and remedies otherwise imposed or available at law or equity.

11.11 Waiver. No waiver by any party of a breach of any of the terms or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other terms or conditions contained herein.

11.12 Non-Agents. This Agreement does not create a principal/agent relationship between the parties and neither party is hereby authorized to incur costs, expenses or other obligations on behalf of the other party.

11.13 Time of Essence. Time is hereby declared to be of the essence for the performance of all terms, covenants, conditions and obligations under this Agreement.

11.14 Effective Date. This Agreement is entered into effective as of the date of full execution by the Parties.

11.15 Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

11.16 Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the Parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and assigns.

11.17 Interpretations and Definitions. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

11.18 No Third Party or Beneficial Rights Granted. This Agreement does not and is not intended to grant rights or benefits to persons or properties not parties to this Agreement, nor does the Agreement bestow any rights on nor authorize non-parties to enforce rights, services or benefits provided under this Agreement.

IN WITNESS WHEREOF, the parties have executed this IGA by signing their names on the day and date first written above.

CITY OF CHANDLER,
an Arizona municipal corporation

By: _____

Its: _____

Date: _____

ATTEST:

City Clerk

The undersigned attorney for the City certifies that the attorney has reviewed this Agreement and finds that it is in proper form and within the power and authority granted to the City under the laws of the State of Arizona.

Approved as to Form:

City Attorney

MARICOPA COUNTY,
a political subdivision

By: _____

Its: _____

Date: _____

ATTEST:

Clerk of the Board

The undersigned attorney for the County certifies that the attorney has reviewed this Agreement and finds that it is in proper form and within the power and authority granted to the County under the laws of the State of Arizona.

Approved as to Form:

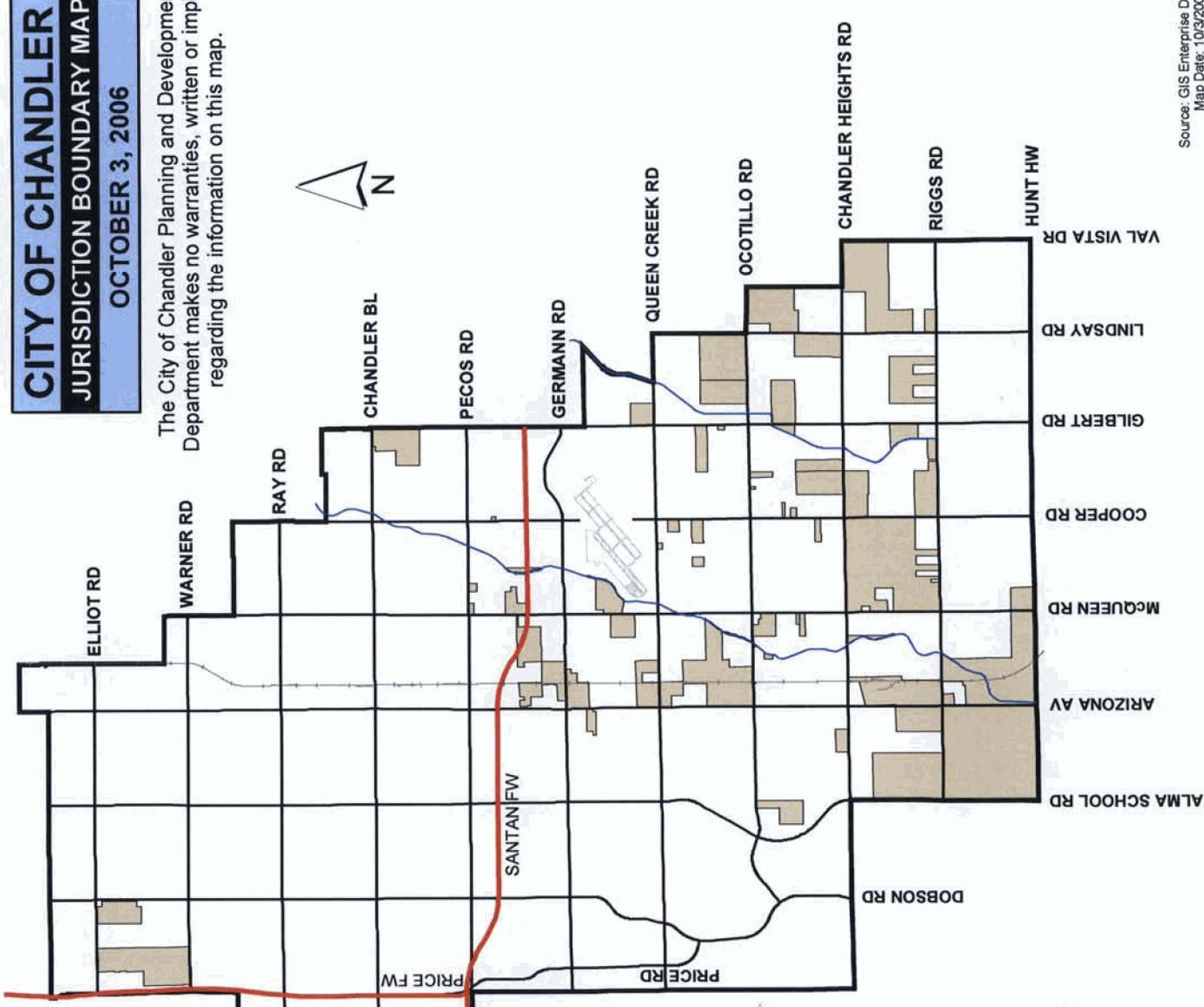
Deputy County Attorney



Chandler Arizona
Where Values Make The Difference

CITY OF CHANDLER
JURISDICTION BOUNDARY MAP
OCTOBER 3, 2006

The City of Chandler Planning and Development Department makes no warranties, written or implied regarding the information on this map.



City of Chandler Incorporated Area
 63.75 Square Miles as of October 3, 2006
 Source: City of Chandler Planning and Development Department

LEGEND

- AIRSTRIPS
- CANALS
- RAILROADS
- FREEWAYS (CURRENT AND FUTURE)
- MILE STREETS
- MUNICIPAL PLANNING AREA
- COUNTY (UNINCORPORATED AREA)

DRAFT 01/10/07

COUNTY PAYMENT OPTION

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement (“IGA” or “Agreement”) is made and entered into this ____ day of _____, 2006, by and between the CITY OF CHANDLER, an Arizona municipal corporation (“City”) and MARICOPA COUNTY, a political subdivision of the State of Arizona (“County”), collectively referred to in this IGA as “the parties”.

RECITALS:

WHEREAS, Arizona Revised Statutes, Section 11-951, et seq. provides that public agencies may enter into intergovernmental agreements for the provision of services or for joint or cooperative action; and

WHEREAS, pursuant to amendment to Arizona Revised Statutes, Sections 9-500.20, 9-500.23, and 11-251 and 11-251.12, adopted in 2004, a city may provide fire and emergency medical services (“emergency services,”) outside its corporate limits to county islands pursuant to an intergovernmental agreement between a county and that city. A county island is statutorily defined as unincorporated territory surrounded on all sides by a city or where the unincorporated territory has borders that involve a combination of a city and other municipalities or a reservation; and

WHEREAS, there are currently several owners of record of county island property located within both unincorporated Maricopa County and the City’s general planning area (“Maricopa Islands”); and

WHEREAS, some owners of property within Maricopa Islands do not have any emergency services provider under contract and are, therefore, either unprotected or are not paying for services that may be provided during an emergency; and

WHEREAS, the only private provider of emergency services currently offering services on a contract basis to owners of property within Maricopa Islands has informed the City and the County of its intent to cease providing these services.

WHEREAS, the parties believe that a comprehensive program to provide emergency services to Maricopa Islands is necessary for the safety and well being of all owners of record in Maricopa Islands and, to a lesser extent, owners of parcels within City limits located near Maricopa Islands; and

WHEREAS, the City is willing to provide emergency services for property within Maricopa Islands provided that the cost of these services are not borne by City and that City fire fighting personnel are not put at greater risk of death or injury due to

infrastructure and hazardous materials storage concerns than they would be when responding to emergencies within City's city limits; and

WHEREAS, under the aforementioned circumstances, the County, pursuant to A.R.S. § 11-251.12, is required to enter into an intergovernmental agreement with the City to provide emergency services to its citizens living within Maricopa Islands.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained in this IGA and other good and valuable consideration, the adequacy of which is hereby acknowledged, the parties agree as follows:

1.0 Participation and Area Covered.

1.1 Area Covered. This IGA regarding the provision of emergency services only includes property located within Maricopa Islands, as that term has been defined herein.

1.2 Map. The Maricopa Islands existing at the inception of this IGA, and which are the subject of this IGA, are generally depicted on the map set forth in Exhibit "A", which is attached hereto and incorporated herein through this reference. The County shall update this map on an annual basis during the term of this IGA on or before April 1 of each year or on such other date as mutually agreed to by the parties.

2.0 Scope of Service.

2.1 Equivalent Response. The City will, commencing on July 1, 2007, and annually thereafter during the term of this Agreement, respond to calls for emergency services to the Maricopa Islands. Subject to the limitations on service set forth in Sections 5.0 and 6.0 of this IGA, the City shall provide emergency services to the Maricopa Islands in the same manner that it provides such services within City's city limits. The City is not undertaking any additional duty to act, or guaranteeing any response time, by virtue of executing this IGA. The same incident risk management profiles that guide emergency response decisions within City's city limits shall be used with respect to services provided to the Maricopa Islands.

2.2 Safety Issues. As set forth in Sections 5.0 and 6.0 of this IGA, the City's response to an emergency call within the Maricopa Islands may be impacted by certain safety or infrastructure related issues.

3.0 Cost of Service.

3.1 Annual Fee. The annual fee to be charged by the City for providing emergency services to the Maricopa Islands pursuant to this IGA shall be the aggregate of the most current per parcel fee for such

services formally adopted by the Council for the City pursuant to Chapter 27, Code of the City of Chandler and shall provide the City with the full cost of providing such services, including, without limitation, indirect, direct, fixed, capital and overhead costs.

3.2 Notice to County of Changes to Fees. The City shall notify the County of any City Council meeting during which any proposed change to the fees for providing emergency services will be acted upon.

3.3 Segregation of Funds. Fees received by the City under this IGA shall be kept in a fund that is only used to provide emergency services in the City's general planning area and shall not be used for the general obligations of the City.

4.0 Collection, Payment and Terms of Service.

4.1 Notification and Invoice. The County shall provide the City with the assessed value of all property within the Maricopa Islands by April 1 of each year starting on April 1, 2007. The City shall invoice the County for the costs of providing emergency services on or before May 1 of each year and the County shall pay said invoice on or before June 1 of each year.

4.2 Responsibility for Collection from Maricopa Islands Residents. The County shall be solely responsible for collecting any fees to be paid by owners of the property within the Maricopa Islands pursuant to A.R.S. § 11-251.61 and shall be solely responsible for all administrative and other costs associated with said collection.

5.0 Safety Issues.

5.1 General. While the City is willing to provide emergency services to property within Maricopa Islands pursuant to this Agreement, it is acknowledged that the City has a need to protect the safety of its emergency response personnel and that certain infrastructure issues and hazardous material storage practices, which would not be permitted in the City, may currently exist within Maricopa Islands, increasing risk to first response personnel. It is also acknowledged that, where such infrastructure issues and hazardous material storage practices are implicated, this may limit the scope and effectiveness of the services that City can provide under this IGA to property located within Maricopa Islands.

5.2 Bridges. It is acknowledged that the City may not be able to respond to an emergency, or may need to alter its typical or preferred response methodology, where access to property within Maricopa Islands

requires the crossing of a bridge that has not been demonstrated to satisfy the requirements of Section 103.2 of the 2003 edition of the International Fire Code. Any demonstration of compliance with this bridge standard offered by the County must be to the satisfaction of the City's Fire Chief.

5.3 Site Access. It is acknowledged that the City may not be able to respond to an emergency, or may need to alter its typical or preferred response methodology, where the street leading to property within Maricopa Islands is not adequately designed or maintained to support large or heavy emergency response vehicles or where access to the site is otherwise limited by structural issues.

5.4 Water Supply. It is acknowledged that the City will be severely limited in its ability to provide effective fire service to property within Maricopa Islands without proximately located fire hydrants or where any proximately located hydrants have inadequate water pressure. It is also recognized that the City's ability to haul water to property within Maricopa Islands is quite limited.

5.5 Hazardous Substances. It is acknowledged that the City will be limited in its ability to provide effective emergency services to property within Maricopa Islands that may store or use hazardous materials where the quantities, location and handling practices for these hazardous materials are not documented and provided to the City prior to response and where such location and handling practices are not in compliance with Section 2701.5.3 of the 2003 edition of the International Fire Code.

5.6 Structural Integrity. It is acknowledged that the City will be limited in its ability to provide effective emergency service for structures located on property within Maricopa Islands, particularly for commercial structures, without documentation as to the composition, room location and structural integrity of those structures prior to response and where the structure does not comply with the provisions of Section 110.1 of the 2003 edition of the International Fire Code relating to structural integrity.

5.7 Knowledge of Hazards. It is acknowledged that the City will generally not enter into a commercial structure where hazardous materials may be stored unless the City has been given prior access to the property to become familiar with the operations, contents and physical characteristics of the structure and the operations and physical characteristics of the structure generally conform to standards set forth in the 2003 edition of the International Fire Code.

5.8 Other Issues and Universal Precautions. It is acknowledged that the recitation of some safety-related issues in this Section 5.0 is not meant to be all-inclusive. It is acknowledged further that the City will generally

use “universal precautions”, whereby it assumes the worst, when dealing with unknown conditions while providing emergency services pursuant to this IGA.

6.0 Notice Regarding Safety Issues.

6.1 Notification of Safety Issues. Neither the City nor the County shall have any obligation under this IGA to inspect for, or notify the other of, any of the safety-related issues set forth in Section 5.0 that may exist on a property within Maricopa Islands. Either party may, however, notify the other of safety issues that it discovers.

6.2 No Code Enforcement. Notwithstanding the limited ability to enter structures pursuant to Subsection 5.7 of this IGA, neither the City nor the County is granted any right to enforce the other's codes that may apply to property within Maricopa Islands by virtue of this IGA and neither party has an obligation to act in an inspection or code enforcement capacity under this IGA. Either party may, however, review structural and operational issues with property owners located within Maricopa Islands, make recommendations based on such reviews, and report code compliance issues that it discovers to the State Fire Marshall, the other party or other applicable regulatory agencies.

6.3 No Duty to Report. The City shall not have any obligation or duty to notify the owner of property within Maricopa Islands, or the State Fire Marshall, of any safety issues discovered (as generally set forth in Section 5.0 of this IGA), or the impact those safety issues may have on the emergency services provided under this IGA. It shall not, however, be a breach of this IGA for the City to notify the owner of property within Maricopa Islands, or the State Fire Marshall, of any safety issues discovered or the impact those safety issues may have on the emergency services provided under this IGA.

7.0 Term.

7.1 Commencement and Expiration. This IGA shall commence on the date the parties have executed it and, unless renewed, amended or terminated early, end on June 30, 2009.

7.2 Early Termination. This IGA may be terminated early under any of the following circumstances:

7.2.1 Breach. A party to this IGA may terminate this IGA if the other party breaches a material provision of this IGA and the breach has not been cured after notice, if required under Subsection 9.1.

7.2.2 No More Maricopa Islands. This IGA shall terminate at such time, if any, that there are no longer any Maricopa Islands.

7.2.3 Pre-emptive Legislation. This IGA shall terminate at such time, if any, that new legislation is adopted that requires that emergency services be provided to County Islands in a manner contrary to that set forth in this IGA.

7.2.4 For Any Reason With Notice. Either party may terminate this IGA for any reason upon giving the other party written notice of its intent to terminate at least one (1) year prior to termination.

8.0 Indemnification.

8.1 By County. The County shall indemnify and hold harmless the City, its officers, agents and employees from and against claims or expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected by reason of injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence of the County, its agents, servants, employees, contractors or subcontractors in the execution of the County's obligations under this Agreement or in connection therewith. In case any suit or other proceeding shall be brought on account thereof, the County, at the request of the City, will assume the defense at the County's own expense and will pay all judgments rendered therein. This indemnification specifically includes any claim or expense associated with the City opting not to provide emergency services, or limiting the scope of the emergency services provided, for a particular property within Maricopa Islands pursuant to Subsection 2.3 of this IGA.

8.2 By City. The City shall indemnify and hold harmless the County, its officers, agents and employees from and against claims or expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected by reason of injury or death of any person, or loss or damage to any property contributed to or caused by the active or passive negligence of the City, its agents, servants, employees, contractors or subcontractors in the execution of the City's obligations under this Agreement or in connection therewith. In case any suit or other proceeding shall be brought on account thereof, the City, at the request of the County, will assume the defense at the City's own expense and will pay all judgments rendered therein.

8.3 Additional Indemnification. In addition to the indemnification provisions set forth in Subsection 8.1 above, the County shall indemnify and hold harmless the City, its officers, agents and employees from and against claims or expenses, including penalties and assessments and attorney's fees to which they or any of them may be subjected to by reason of injury or death of any person, or loss or damage to any property directly contributed to or directly caused by:

8.3.1 Safety Issues. The City's provision of emergency services to any person or property located within Maricopa Islands under this IGA to the extent that such claims or expenses, including penalties and assessments, and attorneys' fees, are attributable to services that were adversely impacted by the existence of an infrastructure or safety issue set forth in Section 5.0 of this IGA within the Maricopa Islands at issue unless the City's provision of such emergency services was determined to be grossly negligent;

8.3.2 Code Enforcement. A lack of applicable fire and building code enforcement regarding structures located on property within Maricopa Islands or any lack of notice of a safety issue to any owner of property within Maricopa Islands; and

8.3.3 Clean-Up and Spills. Any liability or claim associated with those services excluded under Section 10 of this Agreement.

8.4 Dispute Resolution. The parties agree that in the event that there is a dispute regarding indemnification under this Agreement that the matter shall be submitted to the American Arbitration Association in Phoenix, Arizona and that such controversy shall be determined under their then existing rules and that such decision which may be in the form of an award of damage against one party and in favor of the other party or otherwise, shall be final and binding upon both parties. Unless otherwise agreed by the parties, the prevailing party in the arbitration shall be entitled to recover against the non-prevailing party its attorney's fees, expert witness fees and other reasonable costs in connection with the arbitration.

8.5 Survive Termination. The provisions of this Section 8.0 shall survive termination of this IGA.

9.0 Breaches.

9.1 Notice and Opportunity to Cure. Unless a breach of, or default under, this Agreement will result in an imminent threat to public health, safety and welfare, the non-defaulting party shall provide the defaulting party written notice of the alleged breach or default and a reasonable opportunity to cure such breach or default prior to such breach or default becoming actionable.

9.2 Dispute Resolution. Prior to conducting any litigation relating to this Agreement, the City and the County shall negotiate in good faith and attempt to resolve any dispute, controversy or claim arising out of or relating to this Agreement or the breach.

10.0 Other Limitations.

10.1. Spills. The City shall not be responsible for, or provide any response relating to, a spill, leak or other release of hazardous materials pursuant to this Agreement.

10.2 Clean-Up. The City shall not be responsible for, or provide any clean-up or response relating to, debris, residue or waste generated by an emergency response pursuant to this Agreement.

11.0 Miscellaneous.

11.1 Notices. Unless otherwise provided in this IGA, all notices, demands, requests, consents, approvals and other communications (collectively, "Notices") required hereunder shall be given by certified U.S. mail, postage prepaid or personally delivered, against receipted copy, at the address set forth below or at such other address as either party shall, from time to time, designate in writing to the other by notice given in the same manner specified in this paragraph. Notices shall be deemed received upon receipt, shall be evidenced by a receipted copy (in the case of notices that are personally delivered), or as evidenced by the postal service receipt.

City of Chandler
Attn.: Fire Chief
221 East Boston Street, MS 801
Chandler, Arizona 85225

Maricopa County Assessor
Attn.: Joan Blackburn
Manager, Support Services
301 West Jefferson Street, Suite 130B
Phoenix, Arizona 85003-2196

With a copy to:

Office of County Counsel
222 North Central Avenue, Suite 1100
Phoenix, Arizona 85004

11.2 Entire Agreement. This IGA constitutes the entire understanding of the parties and no representations or agreements, oral or written, made prior to its execution shall vary or modify the terms herein.

11.3 Amendments. Any amendment to or variation from the terms of this IGA shall be in writing and shall become effective only after approval of both parties.

11.4 Counterparts. This IGA may be executed in two or more counterparts, each of which shall be deemed an original but which, when taken together, shall constitute one and the same instrument.

11.5 Cancellation. Each party acknowledges that the other has the right as provided in A.R.S. Section 38-511 to cancel this IGA if, while this IGA or any extension is in effect, any person significantly involved in negotiating, drafting or securing this IGA on behalf of a party is (i) an employee or agent of the other party in any capacity, or (ii) a consultant to the other party with respect to the subject matter of this IGA.

11.6 Governing Law. This IGA is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.

11.7 Attorney's Fees. In the event that either party hereto brings any action or files any proceeding in connection with the enforcement of its respective rights under this IGA as a consequence of any breach by the other party of its obligations under this IGA, the prevailing party in such action or proceeding shall be entitled to have its reasonable attorneys' fees and out-of-pocket expenditures paid by the losing party.

11.8 Headings. The headings used in this IGA are inserted for reference purposes only and do not affect the interpretation of the terms and conditions hereof.

11.9 Good Standing Authority. Each of the parties represents and warrants to the other that it is duly formed and validly existing under the law of Arizona and that the individual(s) executing this Agreement on behalf of their respective party is authorized and empowered to bind the party on whose behalf each such individual is signing.

11.10 Default and Remedies. In the event that a party is in default hereunder, the other party shall have all remedies available to them at law or in equity (including expedited equitable relief) whether under this Agreement or otherwise. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder, other than the indemnification provisions, shall be in addition to and not a waiver or limitation of any duties, obligations, rights and remedies otherwise imposed or available at law or equity.

11.11 Waiver. No waiver by any party of a breach of any of the terms or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other terms or conditions contained herein.

11.12 Non-Agents. This Agreement does not create a principal/agent relationship between the parties and neither party is hereby authorized to incur costs, expenses or other obligations on behalf of the other party.

11.13 Time of Essence. Time is hereby declared to be of the essence for the performance of all terms, covenants, conditions and obligations under this Agreement.

11.14 Effective Date. This Agreement is entered into effective as of the date of full execution by the Parties.

11.15 Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

11.16 Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the Parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and assigns.

11.17 Interpretations and Definitions. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

11.18 No Third Party or Beneficial Rights Granted. This Agreement does not and is not intended to grant rights or benefits to persons or properties not parties to this Agreement, nor does the Agreement bestow any rights on nor authorize non-parties to enforce rights, services or benefits provided under this Agreement.

IN WITNESS WHEREOF, the parties have executed this IGA by signing their names on the day and date first written above.

CITY OF CHANDLER,
an Arizona municipal corporation

By: _____

Its: _____

Date: _____

ATTEST:

City Clerk

The undersigned attorney for the City certifies that the attorney has reviewed this Agreement and finds that it is in proper form and within the power and authority granted to the City under the laws of the State of Arizona.

Approved as to Form:

City Attorney

MARICOPA COUNTY,
a political subdivision

By: _____

Its: _____

Date: _____

ATTEST:

Clerk of the Board

The undersigned attorney for the County certifies that the attorney has reviewed this Agreement and finds that it is in proper form and within the power and authority granted to the County under the laws of the State of Arizona.

Approved as to Form:

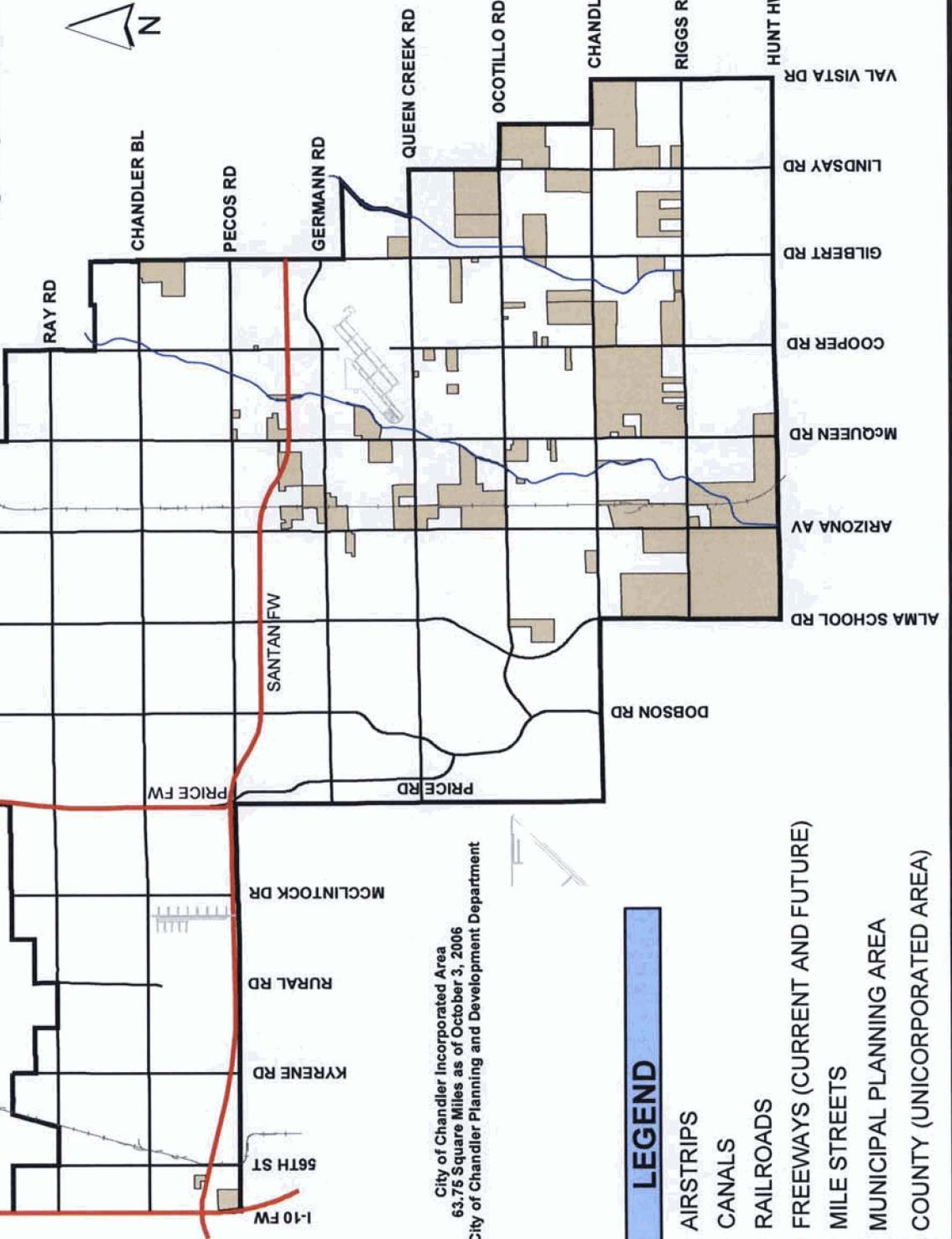
Deputy County Attorney



Chandler Arizona
Where Values Make The Difference

CITY OF CHANDLER
JURISDICTION BOUNDARY MAP
OCTOBER 3, 2006

The City of Chandler Planning and Development Department makes no warranties, written or implied regarding the information on this map.



City of Chandler Incorporated Area
 63,75 Square Miles as of October 3, 2006
 Source: City of Chandler Planning and Development Department

LEGEND

- AIRSTRIPS
- CANALS
- RAILROADS
- FREEWAYS (CURRENT AND FUTURE)
- MILE STREETS
- MUNICIPAL PLANNING AREA
- COUNTY (UNINCORPORATED AREA)



COUNTY ISLAND FIRE COVERAGE OPTIONS

All options include provisions for indemnification for County Island unique issues. All options other than Option 1 will include requiring the County to bill for services provided to subscribers and to pay the City for uncollected “nonsubscriber” costs incurred. (In option #1 all of the County parcels are subscribers – there are no nonsubscribers).

Option 1. Bill the County for 100 % of the cost of providing service.

This was the model first proposed to the County in 2004.

Pros:

- Gets us completely out of billing/collecting County Islands for services (essentially eliminates the subscription nature of the deal from our end)
- Assures that we receive all costs of service up-front w/ no dispute potential associated w/ providing services to nonsubscribers
- Eliminates all administrative costs associated w/ implementing a subscription program

Cons:

- The County originally refused to go in this direction and has given no indication that it is willing to change course

Option 2. Require a 75% subscription participation level.

If this participation level is not reached, the City would not provide any ems or fire service.

Pros:

- Ensures that we get the bulk of our costs up-front
- Provides a definitive line (if 75% level can be clearly defined)
- May encourage participation

Cons:

- Unclear how the 75% will be measured. As of last year, 1204/1911 (63%) parcels were housing, 605/1911 (32%) parcels were vacant or agriculture and 102/1911 (5%) parcels (including a County building) were commercial
- The degree of participation is likely to fluctuate by year ... what if fall short in year 2
- Even if defined, the 75% figure could be deemed to be arbitrary

- Unlikely to get 75% if include the vacant property ... historically at 50% even in nice housing areas
- May be deemed to be harsh, and does not provide any resolution path if less than 75% subscribe
- Still have admin costs of administration and potential for disputes on services provided to nonsubscribers

Option 3. Require the County to pay the cost delta to ensure 75% of the costs of providing service are received even if less than 75% participation.

Pros:

- Ensures that we get the bulk of our costs up-front
- Provides a definitive line (if 75% level can be clearly defined)
- Covers situation where less than 75% participation is achieved

Cons:

- Unlikely to have County agree;
- Unclear how the 75% will be measured. As of last year, 1204/1911 (63%) parcels were housing, 605/1911 (32%) parcels were vacant or agriculture and 102/1911 (5%) parcels (including a County building) were commercial
- The degree of participation is likely to fluctuate by year ... what if fall short in year 2
- Even if defined, the 75% figure could be deemed to be arbitrary
- Still have admin costs of administration and potential for disputes on services provided to nonsubscribers

Option 4. Adjust the subscription fee to ensure 75% of costs of providing service are received at the participation level achieved.

Pros:

- Ensures that we get the bulk of our costs up-front
- May encourage participation
- May blur definitive line a bit.

Cons:

- Recalculations would increase administrative burden;
- Would probably require that a new solicitation for participation be sent out if less than 75% participation was achieved ... legal issues would arise w/ attempting to increase the fee under which agreement to participate was based. This will lead to delays and could create an endless "do-loop" if the subscription rate is to be tied to a participation level that will not be determined until after the solicitation
- Could generate ill will w/ participants
- Unclear how the 75% will be measured. As of last year, 1204/1911 (63%) parcels were housing, 605/1911 (32%) parcels were vacant or agriculture and 102/1911 (5%) parcels (including a County building) were commercial

- Even if defined, the 75% figure could be deemed to be arbitrary
- Still have admin costs of administration and potential for disputes on services provided to nonsubscribers

Option 5. Do not require any minimum participation level (or lower the level to a true minimum ... like 30 or 40%).

This is consistent w/ the IGA that was recently reviewed.

Pros:

- It is consistent w/ our prior discussions w/ the County and is the most likely to be approved by the Board
- Like the other options, it should provide for full recovery of costs if the "per response" fee covers all readiness and infrastructure costs

Cons:

- Increases the potential for disputes on "per response" collection as the percentage of nonsubscribers could be considerably more than 25%
- Does not ensure that we get the bulk of our costs up-front

Option 6. Wait for the legislature and continue as is.

Pros:

- May prevent some unnecessary work ... the IGA may be worthless if legislative action goes in a different direction
- May help create more pressure for a district system (w/ a lot of the benefits of Option 1) to emerge from the legislature (legislation may be introduced that includes a district concept)

Cons:

- Lots of uncertainty as to what, if anything, the legislature will come up with
- Will increase the time that we are providing service w/o indemnification protection
- May delay resolution of situation ... although any resolution (even under one of the other options discussed above) may require a lead time of 6 months or more

An additional matter that should be discussed is whether we should amortize the "buy-in" and impact fee components into the subscription rate or charge these fees up-front as a one-time payment. Amortization will delay our receipt of the funds but may be easier to administer, sit better w/ the public and encourage participation (we also have some room between our current subscription rate and the new rate ... w/o these components ... being proposed).

**PUBLIC SAFETY COUNCIL SUBCOMMITTEE
MEETING MINUTES**

A meeting of the Public Safety Council Subcommittee was held on January 10, 2007 at the Chandler Fire Department Headquarters, 221 E. Boston Street, at 8:00 a.m.

COUNCILMEMBERS IN ATTENDANCE:

Bob Caccamo
Lowell Huggins
Jeff Weninger

OTHERS PRESENT:

Mark Pentz, City Manager
Dave Bigos, Acting Mayor & City Council Asst.
Patrice Kraus, Intergovernmental Affairs Coordinator
Jim Cairns, Assistant City Attorney
Michael House, City Attorney
Patricia Walker, Management Services Director
Rich Dlugas, Assistant City Manager
Tom Carlson, Assistant Fire Chief
Jim Roxburgh, Fire Chief
Holly Granillo, Sr. Exec. Asst.- Recording Secretary

AGENDA ITEM #1 – FIRE/EMS SERVICES TO COUNTY ISLAND RESIDENTS.

Fire Chief Jim Roxburgh stated that in response to discussions and input regarding this agenda item, staff has put together various options for the Subcommittee to consider.

He noted that all options include provisions for indemnification for County Island unique issues. All options other than Option 1 will include requiring the County to bill for services provided to participants and to pay the City uncollected “non-participants” costs incurred. (Note: Under Option 1, all of the County parcels are participants; there are no non-participants.)

Jim Cairns addressed the group and advised that they now have updated information. He noted that 63% of the parcels in the County Island are residential, 32% are vacant and 5% are commercial (1,911 total parcels).

Mr. Cairns outlined the attached options, which was provided to the subcommittee.

City Attorney Michael House recommended that they go back to the Council with three options: (1) For the City Council to approve an IGA to send to the County based on Option 1; (2) To approve an IGA based upon the draft that was already sent to the County (Option 5), and (3) To wait for the State legislature to deal with this.

Further discussion took place among the members relative to Mr. House's recommendations.

It was determined that Options 1, 5 and 6 be forwarded to the City Council for placement on their January 25, 2007 meeting agenda.

AGENDA ITEM #2 – ADJOURNMENT.

The meeting adjourned without objection at 9:00 a.m.

Jim Roxburgh, Fire Chief