

# Intermunicipal Fire Services Agreement

THIS AGREEMENT made this 12 day of May 2022;

## BETWEEN:

MUNICIPALITY OF THE DISTRICT OF CHESTER, a municipal corporation duly incorporated under the laws of the Province of Nova Scotia, having its office at Chester, in the County of Lunenburg and Province of Nova Scotia;

(hereinafter called the "MUNICIPALITY")

- and -

VILLAGE OF CHESTER, a body corporate pursuant to the *Municipal Government Act 1998, c 18, s.1*, of Chester, in the County of Lunenburg and Province of Nova Scotia;

(hereinafter called the "VILLAGE")

Collectively referred to as the "Parties"

**WHEREAS** the Municipality and the Village have authority to provide fire and emergency protection services ("the Service") under the Municipal Government Act within their respective areas which includes all of the Fire District as described in Schedule "A";

**AND WHEREAS** the Fire Department has provided the Service within the Fire District for many years and wishes to continue doing so in accordance with the terms and conditions set out in this Agreement;

**AND WHEREAS** the Parties wish to employ a partnership to provide the best emergency services across the Fire Service Area;

**AND WHEREAS** the Municipality and the Village wish to enter into this Agreement which shall be a Municipal Service Agreement pursuant to Section 60 of the Municipal Government Act so as to cooperate to jointly provide this Service to the Fire Service Area through the Fire Department, a body corporate registered with the Municipality under Section 294 of the Municipal Government Act.

**NOW THIS AGREEMENT** witnessed that in consideration of the sum of One Dollar (\$ 1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually agree and acknowledge as follows:

## Definitions & Schedules

- 1) Definitions - In this agreement, the following terms shall have the following meanings:
  - a) "Emergency services" means services related to the provision of emergency services, including fire protection services, emergency medical services, search and rescue, water rescue and assistance and protection for people and property in the event of disasters including, but not limited to, floods, hurricanes, motor vehicle accidents and chemical spills
  - b) "Fire Chief" means the chief of the Chester Volunteer Fire Department and, his or her designate;
  - c) "Fire Department" means the Chester Volunteer Fire Department situated within the Village of Chester in Chester Municipality;
  - d) "Fire District" means the area as described in Schedule A of this agreement;
  - e) "Fire Protection Services" means services related to the prevention and suppression of fires.

## Terms of Reference

- 2) The parties agree to the following guidelines, objects, and purposes:

- a) To continue a working relationship relating to the provision of Emergency Services in the Fire District based on a partnership model.
- b) To expand representation of residents in the Fire District in Fire Department matters.
- c) To act with mutual respect and trust for each other.
- d) To maintain open communication that is mindful of the long-term relationship between the Parties and not solely based on a current issue or conflict.
- e) To recognize that a lack of agreement on some issues ought not to negatively affect the wider relationship between the Parties.
- f) To provide a forum to deal with all issues which may arise between the Parties.

#### **Committee**

- 3) The Parties agree to establish a joint advisory committee (the "Chester Volunteer Fire Service Committee", hereinafter the "Committee") to advise, assist and make recommendations to the parties, as required, on governance and budget.
- 4) The Municipality and the Village exercise their authority to provide Emergency Services to Fire District within the boundary lines as per Schedule "A" attached and forming part of this agreement through the Fire Service Committee and the Fire Department.
- 5) The committee, in consultation with the Fire Department, is responsible for preparing and recommending and implementing an annual operating budget to the parties. The committee has the responsibility to oversee and implement all purchases that are approved within the annual operating and capital budget.
- 6) The committee, in consultation with the Fire Department, is responsible for preparing, recommending and implementing a 5-year capital budget to the parties each year and developing a 20-year capital replacement plan.

#### **Term**

- 7) This Agreement shall come into effect upon signing by the parties and shall remain in force for a period of twenty (20) years, unless terminated pursuant to Section 10.
- 8) If the Fire Department should for any reason become unable to continue to provide the Service to the Fire District and has provided notice to that effect, then it shall be entitled to provide notice of same to both the Village and the Municipality. The Municipality and the Village shall proceed jointly to provide an alternate method of providing the Service to the Fire Service Area.
- 9) If either the Village or the Municipality or both should become dissolved or amalgamated by operation of Law or by Statute, then the assets belonging to them in connection with the Fire Service shall be, if possible, transferred by the parties to the Municipal body then responsible for the provision of the Service to the Fire District and if that is not possible or feasible, the assets shall be sold and the net proceeds realized from the sale of the assets used for the benefit of the residents of the Fire District in the same proportion as each of the parties contributed to acquiring those assets based on a trailing 5 year average of uniform assessment.
- 10) The Village and the Municipality acknowledge that this Agreement may only be terminated either by mutual consent or for cause. Amendments to the Agreement may be made by mutual consent.
  - a) If either party should allege cause due to a default or failure on the part of the other, then it shall first give not less than one years written notice to the other to correct that default or failure.
  - b) The party receiving notice will have three months from the date notice is received to initiate the mediation and arbitration process per Section 41, otherwise if the default or failure is not corrected within the time allowed to the satisfaction of the objecting party, then the parties agree that they shall then commence the process of dissolving this Agreement in a timely manner but with the object that under no circumstances shall there be any disruption or discontinuance of the Service to the Fire District.

#### **Committee Structure**

- 11) The Committee shall be composed of at six (6) voting members. The Chief, or their designate, shall serve as an ex-officio member of the committee with no voting rights.
- 12) The Municipality shall appoint three members, and the Village shall appoint three members. No more than 1 of the appointments from each party may be an elected official.
- 13) Subject to Sections 14 and 15, any elector of the Fire District is eligible to be a member of the Committee.
- 14) Staff of the Village Commission and Municipality are not eligible for membership on the Committee.
- 15) No active member of the Chester Volunteer Fire Department is eligible to be a member of the Committee.

#### **Annual Meeting**

- 16) An annual meeting of the electors shall be held by the Committee before February 15 each year.
- 17) The Committee shall ensure that the date, time, and location of annual meeting is duly advertised through such means as websites, social media, public notices, or other means, at least two weeks prior to the date of the annual meeting.
- 18) The Committee members shall, at the annual meeting of electors, present a report of the proceedings of the preceding fiscal year, the proposed operating and capital budgets. A poll of the electors, which may be taken by secret ballot, may be taken at the annual meeting to determine the level of support for the proposed area fire rate(s).

#### **Committee Roles and Terms**

- 19) The Municipality and the Village will each appoint two committee members for an initial term of three years, and one committee member for a term of two years. Following the initial term of committee members, the term shall be three years.
- 20) A committee member may be reappointed.
- 21) The Committee shall, at their first meeting after the annual general meeting of the electors, elect from their number a Chair, Vice-chair.
- 22) The Committee shall engage a Secretary who shall give or cause to be given all notices required to members of the Committee and shall attend all meetings of the Committee and enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings and be the custodian of all books, papers, records, and documents belonging to the Committee and perform and do such other duties as may from time to time be prescribed by the Committee.
- 23) The Municipality and the Village shall maintain a common Operating Account and Capital Account from which the funds collected through the area rate shall be deposited to fund the service. The committee will be delegated the responsibility of managing the accounts in accordance with the approved Operating and Capital budget in accordance with such procedures and policies adopted from time-to-time by the Municipality and the Village.
- 24) The committee will appoint or engage a Treasurer to keep full and accurate books of account. The Treasurer will keep record of all receipts and disbursements and under the direction of the Committee and shall deposit all monies with respect to the operation of the Department in the common bank accounts designated for that purpose.
- 25) The Treasurer will provide the committee with at least quarterly accounts of all transactions and of the financial position of the Fire Department. This section shall not be interpreted to include the activities, expenditures, or revenues of the Chester Volunteer Fire Department, a body corporate under the Societies Act.
- 26) The Committee shall ensure that adequate financial auditing for the Service is performed annually and that copies of the annual audited financial statements and copies of the audit report are submitted to each of the parties to this Agreement.

### **Committee Meetings**

- 27) The Committee shall ensure that all meetings are convened and continued only when a quorum 50% plus one of the voting members are present. For a committee of six (6) members at least four (4) members must be present for quorum.
- 28) Special meetings of the electors may be called by the committee members from time to time, but no business shall be transacted at a special meeting, except such as is contained in the notice thereof.

### **Budget**

- 29) The Committee, in consultation with the Fire Department, is responsible for budgeting in such a manner as to provide adequate facilities and equipment for the operation of the Fire Department. The Operating budget, Capital Budget, and 20-year capital plan shall be developed in consultation with the Fire Department.
- 30) Each annual draft budget submitted to the Parties shall include an appropriate provision for a reserve for the replacement of equipment which shall be presented to the committee and electors annually.
- 31) On or before the 15th day of February, each and every year, the Committee shall forward the draft Operating and Capital Budget to both the Village and Municipality for their consideration and approval. The Village and the Municipality may jointly, or separately, conduct further public consultation as they may deem appropriate prior to approval. It shall be the intent of the parties to adopt a common area rate throughout the Fire District to fund the Operating Budget along with the Capital Budget once approved by both the Village and the Municipality.
- 32) The Municipality and the Village shall have until the 1<sup>st</sup> day of April in each and every year to review, discuss and approve the Operating and Capital budgets as presented, or as amended by them. However, if the parties fail to approve the Operating and Capital Budgets by that date, then the matter shall be referred to a Mediator for a sixty-day period pursuant to paragraph 42 (a).
  - a) If the mediation process fails to produce an agreement between the parties on the Operating and Capital budgets, the matter shall be referred to an Arbitrator pursuant to paragraph 42 (b) for a decision, provided however, that the same person who acted as Mediator shall be appointed to act as a Arbitrator and the Arbitrator shall be directed to bring down a decision within thirty (30) days of being appointed and the parties agree to adopt whatever decision the Arbitrator shall decide with regard to the Operating and Capital Budgets.
  - b) Until a new capital budget is approved by the parties, there shall be no new capital spending after March 31 in any given year unless specifically authorized by the parties.
- 33) The Committee may not expend money in excess of that budgeted in the Annual Operating Budget.

### **Area Fire Rate**

- 34) The area fire rate may be different for commercial property than for residential and resource property, but the area rate for commercial property may not exceed one and a half times the area rate for residential and resource property.

### **Asset Ownership**

- 35) All capital assets purchased with revenue generated by the fire tax rate shall be commonly owned by the Municipality and the Chester Village Commission.
  - a) For clarity, any real property used in the provision of the service, other than the existing Chester Fire Hall, shall be transferred into common ownership. All other property used in the provision of the service shall be owned in common, regardless of whether it is registered or licensed in the name of one party or the other.
- 36) Any fire reserve or operating accounts funded by the Fire Tax Rate that exist on the day of signing of this agreement will be transferred into the joint operating or capital account.
- 37) The parties shall arrange for the issue of policies of insurance to protect assets in the care, custody and control of the Committee from physical loss or damage, and for protecting the parties hereto and

members of the Department against legal liability resulting from the activities of the Committee and the operations of the Fire Department, and to ensure that all policies of insurance provide that all parties to this Agreement are endorsed as additional named insureds as their interest may appear.

- 38) The Annual operating budget of the committee shall account for the costs of the insurances required in Section 37.
- 39) All capital improvements and/or expansions, as well as the purchase of capital equipment shall be funded as approved per the Capital Budget.
- 40) The Municipality and the Village shall be responsible for any capital borrowing required to implement the Annual Capital Budget at the same percentage as funded in the Capital Budget.

#### **Dispute Resolution**

- 41) In the event that the parties fail to resolve, amongst themselves, any dispute relating to the provisions of this Agreement, the parties shall seek a settlement of the dispute by the following processes:
- a) First, the parties shall submit their dispute to mediation;
  - b) If the parties are unable to reach a mediated agreement, the matter shall be referred to arbitration pursuant to the provisions of the Commercial Arbitration Act of the Province of Nova Scotia.
- 42) The parties acknowledge and agree that:
- a) The Agreement shall not be varied or amended except by written agreement of both Parties.
  - b) No waiver of the terms, conditions, warranties, covenants, and agreements set out herein shall be of any force and effect unless the same is reduced to writing and executed by all parties hereto and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar) and no waiver will constitute a continuing waiver unless otherwise expressly provided.
  - c) The Municipality and the Village shall appoint a mediator pursuant to the terms of the Commercial Arbitration Act.
- 43) In the event that any provision of the Agreement should be found to be invalid, the provision shall be severed and the Agreement read without reference to that provision.
- 44) Where any provision of the Agreement has been severed in accordance with Section 10 or Section 41 and that severance materially affects the implementation of this Agreement, the parties agree to meet to resolve any issues that may arise as a result of that severance and to amend this Agreement accordingly.
- 45) The provisions of this Agreement will be governed and interpreted in accordance with the laws of the Province of Nova Scotia, as applicable.
- 46) The Agreement enures to the benefit and is binding upon the Parties and their respective successors, and assigns.
- 47) THAT for the purpose of notice to be served pursuant to this Agreement, such notice shall be deemed to be served on the other on either the day it is personally served or on the second day after it being mailed by local mail postage prepaid to the address indicated below:

For the purpose of service of notice, the address of the Village shall be as follows:

The Clerk  
Village of Chester  
P.O. Box 620 Chester, Nova Scotia BOJ 1J0

For the purpose of service of notice, the address of the Municipality shall be as follows:

The Clerk  
The Municipality of the District of Chester  
P.O. Box 369

Chester, N.S. BOJ 1JO

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

SIGNED, SEALED AND DELIVERED )

In the presence of )

[Signature] )  
Witness )

[Signature] )  
Witness )

[Signature] )  
Witness )

[Signature] )  
Witness )

[Signature] )  
Witness )

[Signature] )  
Witness )

MUNICIPALITY OF THE DISTRICT OF CHESTER

Per: [Signature]

[Signature]

VILLAGE OF CHESTER

Per: Nancy E. Hatch, CHAIR

[Signature]

[Signature]

[Signature]

Schedule "A"

