
HALDIMAND COUNTY

Report EMS-02-2021 Mississaugas of the Credit First Nation Fire Protection Agreement



For Consideration by Council in Committee on October 26, 2021

OBJECTIVE:

To recommend entering into a new Fire Protection Agreement with the Mississaugas of the Credit First Nation.

RECOMMENDATIONS:

1. THAT Report EMS-02-2021 Mississaugas of the Credit First Nation Fire Protection Agreement be received;
2. AND THAT the draft Fire Protection Agreement between Haldimand County and Mississaugas of the Credit First Nation included as Attachment 1 to Report EMS-02-2021 be approved;
3. AND THAT the retainer fee shall be adjusted annually on the anniversary date, by the percentage change, year over year, which is recorded in the Statistics Canada, Consumer Price Index, Table 2, not seasonally adjusted for Ontario;
4. AND THAT the user fees shall be adjusted annually or as required, according to the Ministry of Transportation (MTO) rates and schedule "L" of Haldimand County's User Fee By-law;
5. AND THAT the budget amendments to the retainer and user fees as outlined in Report EMS-02-2021 be included in the 2022 Tax Supported Operating Budget as a Council Approved Initiative;
6. AND THAT the Mayor and Clerk be authorized to execute the Fire Protection Agreement between Haldimand County and Mississaugas of the Credit First Nation.

Prepared by: Jason Gallagher, Manager, Emergency Services/Fire Chief

Respectfully submitted: Mike Evers, MCIP, RPP, BES, General Manager of Community & Development Services

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Haldimand County Fire Department currently provides Fire Protection services for Mississaugas of the Credit First Nation. Since 2014, Haldimand County has had a formal agreement to supply these services at a cost which was considered fair for both parties. Prior to 2014 no agreement existed, and a Request for Proposal (RFP) was created by the Mississaugas of the Credit First Nation. Haldimand County was the successful bidder and this resulted in the execution of a formal service agreement. The Council approved agreement has expired and Mississaugas of the Credit First Nation have asked to re-new the agreement as they are pleased with the fire services they receive from Haldimand County, and wish not to seek other providers.

BACKGROUND:

On April 1, 2014, Council received report CMS-ES-04-2014 that directed staff to submit a proposal in response to a RFP issued by the Mississaugas of the Credit First Nation for fire protection services. Report CMS-ES-07-2014 followed and recommended that Haldimand County enter into a formal agreement. Council approved the execution of the agreement which came into affect September 15, 2014.

Subsequently, the agreement expired September 15, 2019, and since that date both parties had agreed to continue the service under the same terms, fees, etc. of the expired agreement for the duration of the pandemic. The agreement has now been finalized and its content and fee terms agreed to by both Haldimand County staff and Mississaugas of the Credit First Nation staff. The agreement is presented herein (Attachment 1) for Council's approval.

ANALYSIS:

Haldimand County currently provides Fire Protection services to Mississaugas of the Credit First Nation on a 365/7 days a week basis. In 2019, the current agreement between the two parties expired. To continue with the service provisions in a formalized and governed fashion, a new agreement between the two parties is required. Mississaugas of the Credit First Nation communicated at the time of renewal that they were very pleased with the Fire Protection they receive from Haldimand County and did not wish to seek any other outside agencies. Therefore, the negotiations between the two parties began. Haldimand County Fire Department provides this service the majority of time from Station 2 in Hagersville, which adds to their annual call volume. Having Hagersville Fire Department respond into this area does not create a stress on our emergency services, as we follow the same procedures we would normally follow if a station was on a call in their own area. Also noting, back-up from other stations within Haldimand County is provided when necessary. For major incidents on the territory we use our resources as well as our neighbors on Six Nations who provide mutual aid if required, much like we do for them, when they require assistance. This system works very well and has for years, and is normal practise for many fire departments throughout the province.

Haldimand County currently charges Mississaugas of the Credit First Nation \$625.15/hr and \$312.58 for every half hour. These fees were originally set in 2012 as part of the original agreement and based upon the best available information at that time with a focus on cost recovery, as well as operating and capital costs. Upon reviewing the fees contained with the agreement, staff have determined an inconsistency with how other users of the service (e.g. surrounding municipalities) are charged. In particular, other users are charged using the fees set by the Ministry of Transportation (MTO), as outlined in Schedule L of the User Fees and Charges By-law. Though these fees have not been vetted through the County's cost recovery methodology per service, the MTO has determined the fees required to recuperate fire response services, and it can be reasonably assumed that these fees would also cover County costs for the same services. As such, staff propose as part of the agreement that these fees be revised to reflect current Schedule L User Fees which are \$485/hr and \$242.50/½ hr.

The above noted change in fees will be consistent with what current tax payers and visitors to the County pay for service, as residents and visitors to the County pay costs associated with our user fees. In the original agreement (Attachment 2) it was stated under bullet 4 that "The County shall supply fire protection to New Credit at the same service level and on the same basis as is supplied to taxpayers and visitors in the County". The previous communication is also in the new agreement under bullet 12, which defines the need to ensure fair costing for services. This cost is equal to Ministry of Transportation (MTO) rates and also Schedule L of User Fees and Services By-law 2212-20, and will be amended each time they are updated by the MTO. All of this said, it is important to note the taxpayers of the County will not be subsidizing the service to Mississaugas of the Credit First Nation (MCFN). While the

user fee addresses the service itself, the capital costs (which taxpayers typically account for) are covered through the provision of an annual retainer by MCFN. That retainer is proposed to be increased as part of the agreement (and as described below) in an effort to ensure that all costs incurred by the County are adequately recouped.

Staff's assessment of the service delivery (over the last 12 years) and the new fee structure allows staff to conclude that there will not be a significant impact to overall revenue. In fact, it is anticipated that the adjusted user fees combined with the increased retainer will result in no net impacts.

FINANCIAL/LEGAL IMPLICATIONS:

The Fire Protection Agreement (Attachment 1) includes all required insurance and risk/liability language for requirements.

The 2021 Tax Supported Operating budget included \$65,620 for the Fire Protection Agreement retainer and \$39,130 for response fees. The Fire Protection Agreement retainer budget for the 2022 Tax Supported Operating budget will be \$74,000, per the new agreement. This adjustment to the retainer fee is based on a comprehensive review of underlying costs associated with the use of County services, the main driver being the fire equipment used to respond to calls, as well as overhead costs. The current charges of \$625.15/hr and \$312.58/½ hr have been decreased to match User Fees and Services By-law 2212-20 Schedule L Emergency vehicle response fees of \$485/hr and 242.50/½ hr thereafter, which are equal to the Ministry of Transportation (MTO) rates. These revenue changes will be shown as a Council Approved Initiative in the 2022 Tax Supported Operating budget. The increase in the retainer is anticipated to offset the reduction in the response fees.

The annual retainer shall be adjusted annually on the anniversary date, by the percentage change, year over year, during the preceding year as recorded in the Statistics Canada, Consumer Price Index, Table 2, not seasonally adjusted for Ontario. The user fees will be adjusted annually with the updating of the User Fee By-law at the same rate as all emergency vehicle response fees per the MTO.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: Yes

By-law: No

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

1. Fire Protection Agreement with the Mississaugas of the Credit First Nation.
2. Report CMS-ES-07-2014 Original Mississaugas of the Credit First Nation Fire Protection Agreement.