

**SOUTH METRO DISTRICT/CITY OF LITTLETON
PRE-UNIFICATION
AND
FIRE AUTHORITY MEMBER
AGREEMENT
By and Among
City of Littleton
and
South Metro Fire Rescue Fire Protection District
and
South Metro/Cunningham Fire Rescue Authority**

Dated , April 18, 2018

TABLE OF CONTENTS

1.	Pre-Unification Agreement	3
.	3	
(a)	Creation of Single, Integrated Fire Protection District	3
(i)	Initial Inclusion Resolution	3
(ii)	Resolution Initiating the Initial Inclusion Election	3
(iii)	Request Court Order for Inclusion Election	3
(iv)	Conduct of the Initial Inclusion Election	3
(v)	Court Order of Inclusion	4
(vi)	Subsequent Inclusion Elections	4
(vii)	Payment of Inclusion Election Costs	4
(b)	South Metro District Director District Boundary Changes	4
(c)	Transfer of City Fire Department Assets	5
2.	Fire Authority	5
(a)	Fire Authority Membership and Service	5
(b)	Fire Authority Board	5
(c)	Financial Contribution	5
(d)	Lease and Assignment of City Fire Department Assets	6
(e)	Transfer of Personnel	6
(f)	Fire Department Services—Standards of Coverage	6
3.	Term and Termination	6
(a)	Term	6
(b)	Termination	6
(c)	Payments Subject to Annual Appropriations	7
4.	Miscellaneous	7
(a)	Party Inclusions and Exclusions	7
(b)	Notices	7
(c)	No Third-Party Beneficiaries	7
(d)	Severability	7
(e)	Amendments	8
(f)	Duplicate Originals	8
Exhibit A		4
1.	Pre-Unification Agreement	3
(a)	Creation of Single, Integrated Fire Protection District	3
(i)	Initial Inclusion Resolution	3
(ii)	Resolution Initiating the Initial Inclusion Election	3
(iii)	Request Court Order for Inclusion Election	4

(iv)	Conduct of the Initial Inclusion Election	4
(v)	Court Order of Inclusion	4
(vi)	Subsequent Inclusion Elections	4
(vii)	Payment of Inclusion Election Costs	5
(b)	South Metro District Director District Boundary Changes	5
(c)	Transfer of City Fire Department Assets	5
(d)	Property Insurance	5
(e)	Contracts for Service	6
(i)	Lockheed Martin	6
(ii)	Meadowbrook-Fairview Metropolitan District	6
2.	Fire Authority	6
(a)	Fire Authority Membership and Service	6
(b)	Fire Authority Board	7
(c)	Financial Contribution	7
(d)	Transfer and Lease of City Fire Department Assets	7
(e)	Fire Station 11 Lease	8
(f)	Stations 12 and 19, and Fire Department Capital Assets	8
(g)	Station 12 Information Technology Space	9
(h)	Transfer of Personnel	9
(i)	Dispatch Services	9
(j)	EMS, Fire and Emergency Service Billing	9
(k)	Fire Department Services – Standards of Coverage	9
(l)	Colorado Fire Fighters Cancer and Heart Benefit Trusts	10
(m)	Fire and Police Pension Association of Colorado (“FPPA”)	10
(n)	Environmental Assessment of Property	10
(o)	Operational Standards	11
3.	Term and Termination	11
(a)	Term	11
(b)	Termination	11
(c)	Payments Subject to Annual Appropriations	11
4.	Miscellaneous	11
(a)	Party Inclusions and Exclusions	11
(b)	Notices	11
(c)	No Third-Party Beneficiaries	12
(d)	Severability	12
(e)	Amendments	12
(f)	Duplicate Originals	12
	EXHIBIT A	15
	EXHIBIT B	16

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**SOUTH METRO DISTRICT/CITY OF LITTLETON
PRE-UNIFICATION AND
FIRE AUTHORITY MEMBER
AGREEMENT**

THIS SOUTH METRO DISTRICT/CITY OF LITTLETON PRE-UNIFICATION AND FIRE AUTHORITY MEMBER AGREEMENT (“Agreement”) is made and entered into this 18th day of April, 2018 by and among the CITY OF LITTLETON (“City”), SOUTH METRO FIRE RESCUE FIRE PROTECTION DISTRICT (“South Metro District”), and the SOUTH METRO/CUNNINGHAM FIRE RESCUE AUTHORITY (“Fire Authority”) (individually, a “Party” and collectively, the “Parties”).

RECITALS

A. South Metro District is a fire protection district authorized to provide, and is providing, fire protection, ambulance and emergency medical and rescue services, operation of the ~~fire~~Fire Marshal’s office, enforcement of fire prevention codes and fire code permitting, fire investigation, hazardous materials response, and other emergency services authorized by statute and typically provided by a fire protection district organized and operated pursuant to Article 1, Title 32, C.R.S. (collectively, the “Fire Department Services”).-

B. The City is a home rule municipality organized and existing pursuant to Article XX, Section 6 of the Constitution of the State of Colorado and its Home Rule Charter, and has all powers, functions, rights and privileges in the operation of a municipality, except those powers, functions, rights and privileges expressly forbidden to home rule municipal corporations and cities by the Constitution of the State of Colorado.

C. The Fire Authority is a separate legal entity that is a political subdivision and public corporation of the state, separate from its members, organized pursuant to Article XIV, Section 18(2)(a) of the Constitution of the State of Colorado, Section 29-1-203.5, C.R.S. and the South Metro/Cunningham Fire Rescue Authority Creation and Pre-Unification Agreement dated November 16, 2017 (“Fire Authority Agreement”), attached hereto and incorporated herein as **Exhibit A**.

D. The Parties’ boundaries include portions of Douglas, Arapahoe and Jefferson Counties.

E. Article XIV, Section 18(2)(a) of the Constitution of the State of Colorado and Part 2, Article 1, Title 29, C.R.S., encourage and authorize political subdivisions of the state to make efficient and effective use of their powers and responsibilities by cooperating and contracting with each other.

F. For many years, the City has provided Fire Department Services to the citizens and property within its jurisdiction through Littleton Fire Rescue, which is operated by the City in partnership with Littleton Fire Protection District (“Littleton Fire”) and Highlands Ranch Metropolitan District (“Highlands Ranch”). The partnership between the City, Littleton Fire and Highlands Ranch is set forth in an Intergovernmental Agreement dated January 17, 2012, and subsequent amendments thereto (“Littleton Fire Rescue IGA”).

G. In late 2016, discussions began by the respective Fire Chiefs regarding the possible unification of the Fire Department Services being provided by Cunningham Fire Protection District (“Cunningham”), South Metro District, Littleton Fire, Highlands Ranch and the City. On May 2, 2017, the Fire Chiefs of South Metro District, Littleton Fire Rescue, and Cunningham issued the 2017 Unification Proposal. On August 16, 2017 the Fire Chiefs issued a Response to Questions, which addressed specific questions by the Boards for Littleton Fire and Highlands Ranch related to the 2017 Unification Proposal. The 2017 Unification Proposal and Response to Questions are collectively referred to as the “Unification Proposal.”

H. As stated in the Unification Proposal, the ultimate goal is to have a single, unified fire protection district provide Fire Department Services to all of the communities, citizens and property within the South Metro District, Littleton Fire Rescue, and Cunningham (“Unified Fire District”).

I. Over the last year, there has been extensive discussion and analysis regarding unification and the Unification Proposal, with the governing bodies of these fire departments evaluating whether unification would be in their best interests and in the best interests of their communities and the personnel who provide Fire Department Services to their communities. Simultaneously, the City commenced an evaluation of the future of fire service in the City and the possibility of unification.

J. In November 2017, Cunningham and South Metro District created the Fire Authority pursuant to the Fire Authority Agreement. The Fire Authority began operations on January 1, 2018 and is intended as an interim step in the unification process between Cunningham and South Metro District, whereby the Fire Authority will provide Fire Department Services within the jurisdictional boundaries of Cunningham and South Metro District until Cunningham has been fully unified with South Metro District into a single fire protection district.

K. In November and December 2017, Littleton Fire and Highlands Ranch each entered into a Memorandum of Understanding with South Metro District for Establishment of a Unified Fire Protection District and a Pre-Unification and Fire Authority Member Agreement. Subsequently, Littleton Fire and Highlands Ranch each gave each other and the City notices terminating their participation under the Littleton Fire Rescue IGA effective January 1, 2019.

L. In November and December, 2017, the City's Council instructed the City to commence negotiations with South Metro District. South Metro District and the City desire to legally unify their Fire Department Services into a single fire protection district and to establish the actions to be taken to seek voter approval to include into South Metro District, effective January 1, 2019, the area that is within the City. In the event that such inclusion election is unsuccessful, ~~to South Metro District and the City shall~~ continue to seek inclusion of the City into South Metro District and to provide through the Fire Authority all of the Fire Department Services which are currently being provided separately by each of the Parties until the area within the City is included into South Metro District or this Agreement terminates.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

Pre-Unification Agreement

Creation of Single, Integrated Fire Protection District

. The Parties intend to form a single, integrated fire protection district to serve all areas currently served by the Parties by including all territory currently within the City into South Metro District (the "Inclusion") by election pursuant to Section 32-1-401(2)(a)(II)(b) – (e), C.R.S. Unless mutually agreed to otherwise by the Parties, the Parties shall take the following actions to seek approval for the Inclusion at a coordinated mail ballot election to be held on ~~a~~ November 6, 2018 (the "Initial Inclusion Election"):

Initial Inclusion Resolution

. Upon its determination to proceed with the Initial Inclusion Election, the South Metro District Board of Directors will, pursuant to Section 32-1-401(2)(a)(II), C.R.S., adopt a resolution proposing the ~~inclusion~~Inclusion and setting a public hearing to adopt a Resolution Initiating Inclusion Election. Thereafter, South Metro District shall publish and mail notices as required by Section 32-1-401(2)(b) and (3), C.R.S.-

Resolution Initiating the Initial Inclusion Election

. At its meeting specified in the resolution and notice referenced above in paragraph 1(a)(i), South Metro District shall conduct a public hearing and consider adoption of a Resolution Initiating Inclusion Election pursuant to Section 32-1-401(2)(b), C.R.S. The Resolution Initiating Inclusion Election shall include, as conditions of the Inclusion, that if the voters approve the Inclusion, the City shall discontinue providing Fire Department Services. Prior to the ~~election~~Initial Inclusion Election, it is the City's intent to adopt an ordinance providing for a reduction in its property tax mill levy rate by 4.662 mills should the qualified electors of the City approve the Inclusion into the South Metro

District. If the ordinance is not approved prior to South Metro District seeking a Court Order ~~calling~~ for the ~~Initial Inclusion election~~Election, the South Metro District can discontinue the Inclusion proceedings and this Agreement will terminate.

Request Court Order for Inclusion Election

. If South Metro District approves the Resolution Initiating Inclusion Election following the public hearing, it shall immediately file a motion requesting an order from the Douglas County District Court setting a coordinated mail ballot election to seek voter approval of the Inclusion, appointing the Designated Election Official, and approving the ballot question in substantially the form attached hereto and incorporated herein as **Exhibit B**.

Conduct of the Initial Inclusion Election

. Upon receipt of the order from the Douglas County District Court, South Metro District, through its Designated Election Official, shall certify the ballot no later than sixty (60) days prior to the ~~election~~Initial Inclusion Election date, and take all actions necessary or desirable to conduct the Initial Inclusion Election pursuant to the Colorado Local Government Election Code and the Special District Act.

Court Order of Inclusion

. If a majority of the voters approve the Inclusion, South Metro District shall immediately seek a final Order of Inclusion from the Douglas County District Court and record and file the same as necessary to make the Order of Inclusion effective as required by the Colorado Local Government Election Code and the Special District Act. Upon the effective date of the Order of Inclusion, South Metro District, either directly or through the Fire Authority, will provide within the area of the Inclusion the Fire Department Services typically provided throughout the South Metro District, including enforcement of fire codes as adopted by the City; any future amendments, repeals, revisions or adoptions of fire codes by the City will be done only after written notice from the City to, and consultation with, the South Metro District. The ~~parties~~Parties acknowledge that the Court Order of Inclusion resulting out of the November 6, 2018 Initial Inclusion Election will likely not be issued until after January 1, 2019 and that for the tax year commencing on January 1, 2019 and ending on December 31, 2019, Fire Department Services will be provided through the Fire Authority.

Subsequent Inclusion Elections

. If a majority of electors at the Initial Inclusion Election do not approve the Inclusion, South Metro District shall have the option to conduct a mail ballot or polling place inclusion election in the subsequent year (the "Second Inclusion Election"), and if the Second Inclusion Election fails, South Metro District shall have the option to conduct a

similar Inclusion election in the same or subsequent year as the Second Inclusion Election (the “Third Inclusion Election”), based on timing within any given year as mutually agreed upon by the City and South Metro District. If the Inclusion is not approved by a majority of the eligible electors at the Initial, Second or Third Inclusion Election, at the request of South Metro District, the City shall reimburse South Metro District for all costs associated with additional, annual Inclusion elections until this Agreement is either terminated or the Inclusion is approved by the eligible electors. Pursuant ~~to Colorado Revised Statutes~~, Section 39-1-110, C.R.S., an ~~Inclusion-Election~~inclusion election that has not been approved by the District Court and recorded with the County prior to July 1, shall result in the City receiving Fire Department Services through the Fire Authority until the end of the calendar year following the year of the inclusion election.

Payment of Inclusion Election Costs

. For the Initial, Second, and Third Inclusion Elections pertaining only to the City, the City shall pay fifty percent (50%) of the cost of conducting the election, including, but not limited to, costs associated with public education and election consulting services. All costs incurred by South Metro District associated with Inclusion elections following the Initial, Second, and Third Inclusion Elections shall be reimbursed in full by the City, as set forth above.

South Metro District Director District Boundary Changes

. South Metro District is governed by a seven (7) person Board of Directors elected from director districts. Following the effective date of the Court order approving the Inclusion and prior to the next regular Board of Directors election, South Metro District shall take such action, as necessary, to reestablish the South Metro District Board of Directors director districts to account for the Inclusion. Such redistricting shall comply with Section 32-1-804(1), C.R.S., which requires that director districts have, as nearly as possible, the same number of eligible electors, and any other applicable state and federal law regarding redistricting.

Transfer of City Fire Department Assets

. As of January 1, 2019, the City shall discontinue providing Fire Department Services. As of the recording of a final District Court Order of Inclusion, and subject to subsections 2(e), 2(f), and 2(g) below, the City shall transfer to South Metro District all legal and equitable title of the City’s interest in any assets and property currently used by Littleton Fire Rescue, free and clear of all liens and encumbrances. The City agrees to use its best efforts to assist Littleton Fire ~~Protection District~~ and Highlands Ranch ~~Metropolitan District~~ in the transfer of any property used by Littleton Fire Rescue and owned by either District. Assets and property

include, but are not limited to, real property, personal property, improvements, buildings, furniture, appliances, supplies, plans, tools, vehicles, apparatus, mobile equipment, and machinery, with the exception of telephones and computers owned by the City. The City will provide a list of intangible personal property, warranties, licenses, permits, leases, guarantees, indemnifications and agreements which will be assigned to South Metro District, together with cash paid to the City for Fire Department Services provided before January 1, 2019, with the exception of account receivables for Fire Department Services provided on or after January 1, 2019 (collectively, the “City Fire Department Assets”). Any City funds transferred to South Metro District will be used only for the betterment of Fire Department Services to the territory within the City’s boundaries.

Property Insurance:-

. The City is a member of the Colorado Intergovernmental Risk Sharing Agency, a municipal risk retention pool. The Fire Authority is ~~a member of~~ insured for property, casualty and liability coverage by Arch Insurance and for workers compensation coverage by the Colorado Special District Association insurance pool. The City will cooperate with the Fire Authority in the transfer and insurance of property.–

Contracts for Service:-

. The City has two contracts for the provision of fire and emergency medical services.

Lockheed Martin

. The City has entered into an Agreement dated January 19, 2016 with Lockheed Martin Corporation, acting through its Lockheed Martin Space Systems business (“LMSSC Agreement”). The City has notified LMSSC of its desire to amend the LMSSC Agreement providing for assignment for a short-term period not to exceed two years of the current LMSSC Agreement to the South Metro District. It is the intent of the City and South Metro District that the South Metro District will provide services on an interim basis under the same terms and conditions applicable to the City under the LMSSC Agreement for a two (2) year period commencing on January 1, 2019. Neither South Metro District nor the Fire Authority, by this Agreement, undertake an obligation to serve LMSSC, beyond the two (2) year period commencing on January 1, 2019 and no third-parties shall be a beneficiary of this subsection.

Meadowbrook-Fairview Metropolitan District

. The City has entered into a Service Agreement with the Meadowbrook-Fairview Metropolitan District (“Meadowbrook-Fairview Service Agreement”). The City and

Meadowbrook have entered into discussion and Meadowbrook has agreed to the termination of the existing ~~agreement~~ Meadowbrook-Fairview Service Agreement with the City effective January 1, 2019. It is the intent of the City and Meadowbrook that Meadowbrook will either annex into South Metro District or enter into the Fire Authority. Neither South Metro District nor the Fire Authority, by this Agreement, undertake an obligation to serve Meadowbrook.

Fire Authority

. As of January 1, 2018, pursuant to the Fire Authority Agreement, the Fire Authority began operating and providing Fire Department Services to South Metro District and Cunningham until such time as all of the territory within Cunningham can be included into South Metro District. Other entities may be made members of the Fire Authority upon terms and conditions approved by a two-thirds (2/3) vote of the Fire Authority Board. Approval of this Agreement by a two-thirds (2/3) vote of the Fire Authority Board shall constitute approval of the Fire Authority Board to the City's membership in the Fire Authority, pursuant to the provisions of this Agreement and the terms of the Fire Authority Agreement.

Fire Authority Membership and Service

. Pursuant to Section 39-1-110, C.R.S, as the notification deadline to the County will not be met by July 1, 2018, and regardless of the outcome of the Initial Inclusion Election, the City shall become a member of the Fire Authority and receive Fire Department Services from the Fire Authority as of January 1, 2019. Except as otherwise provided in this Agreement, the terms of the Fire Authority Agreement are incorporated herein. The City will no longer be a member of the Fire Authority following approval by the voters of the Inclusion effective January 1st of the first year during which South Metro District will receive property tax revenue from property being included. If the Initial, Second, and Third Inclusion Elections fail to approve the Inclusion, the City shall continue to be a member of the Fire Authority until this Agreement is terminated as set forth herein.

Fire Authority Board

. During its membership in the Fire Authority, the City shall be entitled to one (1~~);~~) voting member on the Fire Authority Board.

Financial Contribution

. The City's annual payment to the Fire Authority for Fire Department Services shall be equal to the revenue that would be generated by imposing a tax of 9.25 mills on the assessed valuation of all taxable property within the City's boundaries. Because the City's actual property tax mill levy rate is less than 9.25 mills, and because specific

ownership tax is distributed based on property tax rates, the City shall also contribute to the Fire Authority all revenue ~~the~~ City actually receives from its specific ownership tax in the applicable year. In any year during which the City would otherwise be a member of, and receive services from, the Fire Authority but the City does not, or is not able to, contribute such revenue to the Fire Authority, the City shall cease to be a member of the Fire Authority, this Agreement shall terminate, and neither the Fire Authority nor South Metro District shall have any obligation to provide the Fire Department Services within ~~the~~ City's boundaries. Payments shall be made by the City to the Fire Authority in two (2) equal installments on January 15 and July 15 of each year, based on the final certified assessed valuation provided by the County Assessor in the prior year and the estimated specific ownership tax revenue, with a true-up payment or credit to be provided on December 31 of each year based on actual specific ownership tax revenue received by the City within such year. Notwithstanding the foregoing, if the voters at the Initial Inclusion Election approve ~~inclusion~~Inclusion into South Metro, ~~City's payment District, the City may choose to pay~~ the Fire Authority for ~~services~~Fire Department Services provided in 2019 ~~shall be as set forth above, or may pay~~ as follows:

(i) ~~The~~ City shall pay the Fire Authority in 2019 an amount equal to the amount paid by the City for Fire Department Services provided by Littleton Fire Rescue in 2018; and

(ii) ~~The~~ City shall pay the Fire Authority in 2020 the difference between the amount owed under Section 2(c) of this Agreement and the amount paid in 2019 pursuant to Section 2(c)(i); and

(iii) ~~The~~ City shall include the payments set forth in Sections 2(c)(i) and (ii) of this Agreement in its budgets and appropriations presented by City staff for final consideration by the City's Council for the years in which the payments are due.

Transfer and Lease of City Fire Department Assets

. In consideration of the Fire Authority's obligations to provide Fire Department Services to the City, upon the City becoming a member of the Fire Authority without its Inclusion into the South Metro District, the City will, for no additional consideration, transfer, convey or assign all legal and equitable title to the City Fire Department Assets to the Fire Authority, free and clear of all liens and encumbrances, except as set forth in subsections 2(e), 2(f), and 2(g) below. The ~~parties~~Parties agree to execute all documents necessary to accomplish the transfer of City Fire Department Assets. Thereafter, the Fire Authority will be responsible for all maintenance and repair of the ~~capital assets~~City Fire Department Assets. If the Inclusion has not been successful and either the Fire Authority or South Metro District terminate this Agreement, the City Fire Department Assets shall be returned to the City as is, unless the ~~assets~~City Fire Department Assets have been disposed of previously. If the Inclusion has not been successful and the City terminates

the Agreement, the City Fire Department Assets shall remain the property of the Fire Authority.

Fire Station 11 Lease

. Notwithstanding subsection 2(d) above, prior to January 1, 2019, the City will take actions to seek subdivision approval of the land upon which Fire Station 11 is located, and shall, at no cost, lease the land and Fire Station 11 to the Fire Authority and South Metro District for a term of five (5) years, with unlimited renewal terms of five (5) years each at the option of South Metro District or the Fire Authority, but with a provision that the lease will terminate upon the Fire Authority or South Metro District bringing into operation a fire station intended to replace and provide primary response to the primary response area currently served by Fire Station 11. Additionally, if the Inclusion has not been successful and either the City, the Fire Authority or South Metro District terminate this Agreement, the Fire Station 11 lease shall terminate and Fire Station 11 shall be returned to the City subject to reasonable wear and tear. During the term of the lease, the Fire Authority or South Metro District shall only be responsible for routine maintenance; any maintenance in excess of \$5,000 per year and all capital improvement or replacement shall be the responsibility of the City.

Stations 12 and 19, and Fire Department Capital Assets

. Notwithstanding subsection 2(d) above, as of January 1, 2019, the City shall lease, at no cost, to the Fire Authority and South Metro ~~Districts~~District, Fire Stations 12 and 19 and their associated land, as well as the capital assets listed on **Exhibit C** attached hereto and incorporated herein (the "Fire Department Capital Assets"). Such leases shall be for a term of five (5) years, with unlimited renewal terms of five (5) years each at the option of South Metro District or the Fire Authority. During the term of the leases, the Fire Authority or South Metro District shall only be responsible for routine maintenance; any maintenance in excess of \$5,000 per year and all capital improvement or replacement shall be the responsibility of the City. ~~The lease~~leases shall provide that upon the recording of a final District Court Order of Inclusion, the City shall transfer to South Metro District all legal and equitable title of the City's interest in Station 12 and 19 and the Fire Department Capital Assets, free and clear of all liens and encumbrances. If the Inclusion has not been successful and either the Fire Authority or South Metro District terminate this Agreement, the leases shall terminate and Stations 12 and 19 and the Fire Department Capital Assets shall be returned to the City as is. If the Inclusion has not been successful and the City terminates the Agreement, the leases shall terminate and only Stations 12 and 19 shall be returned to the City and the Fire Department Capital Assets shall be conveyed to South Metro District or the Fire Authority.

Station 12 Information Technology Space

. Notwithstanding subsection 2(d) above, as of January 1, 2019, the Fire Authority and South Metro District shall enter into a separate agreement with the City to allow the City, at no cost, to continue to occupy space at Fire Station 12 that is currently used by the City for a backup information technology system. Such agreement shall allow the City to occupy such space regardless of whether Station 12 is leased or conveyed to the Fire Authority or South Metro District.

~~(e)~~ Transfer of Personnel

. The Parties' intent is that all Littleton Fire Rescue personnel will, on January 1, 2019, be transferred without a break in service ~~to~~ and become employees of the Fire Authority, in positions available within the Fire Authority similar to the positions they held with Littleton Fire Rescue. The transfer of employment is subject to the individual acceptance of the transfer by each such employee based on employment terms set by the Fire Authority. Failure to accept the transfer will result in the employee being deemed terminated by the City. However, that if the Inclusion is not approved by the voters and this Agreement is terminated, the City agrees that any of the former ~~city~~City employees transferred to South Metro District may reapply for positions with the City with no loss in seniority or service should they be rehired by the City. For a period of one (1) year from the transfer, no Party shall otherwise attempt to employ any employee of another Party without the other Party's prior written consent.

Dispatch Services

. As of January 1, 2019, dispatch services shall be provided at no additional charge and the existing User Agreement, effective date October 25, 2017 ("Dispatch Services Agreement"), will be terminated as between the City and South Metro District.

EMS, Fire and Emergency Service Billing

. The Fire Authority shall be responsible for all billing, payment account management and accounts receivables for emergency medical, ambulance, fire and other emergency services provided by the Fire Authority beginning January 1, 2019, and thereafter. For all emergency medical, ambulance, fire and other emergency services provided by the City prior to January 1, 2019, the City shall be responsible for all billing, payment account management and accounts receivables and shall retain ownership of the accounts receivables.—

Fire Department Services – Standards of Coverage

. During any period that the Fire Authority or South Metro District ~~provides~~provide Fire Department Services to the area currently within the City, South Metro District and the Fire Authority expect that Fire Department Services standards to all areas currently within the City will meet or exceed those currently being provided by Littleton Fire

Rescue. It is not possible to define precisely when, how, and by how much the Fire Authority or South Metro District will improve service standards and response times to the City. However, to extend accreditation to the the City area, the Fire Authority will develop and pursue a specific improvement plan.

Colorado Fire Fighters Cancer and Heart Benefit Trusts

. Both the City and the Fire Authority are members of the Colorado Fire Fighters Cancer and Heart Benefit Trust- (the "Trust"). The City will remain a member for a period not to exceed Tenten (10) years commencing on January 1, 2019 to provide coverage under the Trust to any firefighter employed by Littleton Fire Rescue as of December 31, 2018 who makes a claim that a cancer or covered condition which they have developed occurred as the result of service as a fire fighter for Littleton Fire Rescue prior to December 31, 2018. All claims arising out of an individual claim of cancer that developed after December 31, 2018 shall be the responsibility of the Fire Authority.

Fire and Police Pension Association of Colorado ~~("FPPA")~~

. Both the City and the Fire Authority participate in the FPPA Statewide Defined Benefit Plan for eligible employees as determined by the FPPA. As set forth in subsection 2-(e) above, the City and the Fire Authority shall cooperate to affect a transfer of employees to the Fire Authority so as to avoid a break in service, thus allowing their participation in the FPPA Statewide Defined Benefit Plan and the Statewide Death and Disability Plan based on a continuation of service begun with the City. Notwithstanding the foregoing, all questions of transfer, eligibility, enrollment and benefit calculation shall be solely determined by the FPPA and not under any provision of this Agreement.

Environmental Assessment of Property-

. The City has disclosed to South Metro District that above ground fuel storage tanks ("ASTs") are located on the station sites for Fire Stations 13, 14, 16, and 17. The City shall disclose to South Metro District, any knowledge or information it has with regard to any current or historical environmental contamination of property associated with the ASTs. The City agrees to provide South Metro District within ninety (90) days following the execution of this Agreement with a Phase I Environmental Assessment (the "Assessment") for all four (4) station sites. The City shall remove all of the ASTs prior to December 31, 2018, unless South Metro District requests the City to retain any or all of them. Fire Stations 13 and 14 are owned by Littleton Fire, and Fire Station 17 is owned by Highlands Ranch. If the Assessment indicates that a Phase II Environmental Assessment ("Phase II Assessment") is warranted on Station 16, the City and South Metro District shall meet and jointly obtain a Phase II Assessment, with the costs to be born equally by the partiesParties. In the event the Assessment indicates that a Phase II Assessment should be conducted for Fire Stations 13, 14 or 17, South Metro District may take such action as it deems appropriate. In the event that the Phase II Assessment

indicates that remediation is required for Station 16, the City shall undertake such remediation as it determines appropriate. South Metro District shall not be required to take possession or title to any station site associated with an AST until it determines, in its reasonable discretion, that any environmental contamination has been adequately remediated.

Operational Standards

. Both the City and the Fire Authority agree that there may be one or more MemorandumsMemorandum of Understanding between the partiesParties executed by the Fire Authority Fire Chief and the City Manager covering operational and administrative matters necessary to implement the terms of this Agreement.

Term and Termination

Term

. This Agreement shall become effective immediately upon execution by the Parties. The term of this Agreement shall be unlimited and shall extend until terminated as provided herein.

Termination

. This Agreement shall automatically terminate on January 1st of the first year during which the Fire Authority will receive property tax revenue from property within the City following approval by the voters of the Inclusion. This Agreement may also be terminated upon either South Metro District or the City giving written notice to the other twelve (12) months prior to the first day of January of the year in which the Agreement will be terminated. If the Agreement is terminated based on the Inclusion, the provisions herein obligating the City to transfer ~~of~~ City Fire Department Assets and property shall survive such termination until satisfied.-

Payments Subject to Annual Appropriations

. All payments due hereunder are subject to annual appropriations by the Party from which payment is due, and therefore shall not constitute a multiple fiscal year financial obligation. In the event either Party fails to appropriate such payments through such Party's budget approval process prior to the calendar year in which such payment is due, this Agreement shall terminate as of January 1 of the year in which such payment is due.

Miscellaneous

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Party Inclusions and Exclusions

. During the term of this Agreement, and because of the potential impact on the service demands and revenues of South Metro District and the Fire Authority, ~~the~~ City will not annex property outside the current boundaries of the South Metro District without written notice to South Metro District and the Fire Authority. Neither the Fire Authority nor South Metro ~~District~~ shall have any obligation to serve property annexed by the City that is located outside of the current boundaries of ~~the~~ South Metro District, unless ~~the~~ South Metro District has given its prior written consent.

Notices

. Any formal notice, demand or request provided for in this Agreement shall be in writing and shall be given in person, by facsimile, or sent by registered or certified mail, postage prepaid to the Parties at the addresses set forth on each signature page attached hereto, unless another address is certified to the Parties. If sent by registered or certified mail, the notice shall be deemed given seventy-two (72) hours after being placed in the U.S. Mail.

No Third-Party Beneficiaries

. Nothing in this Agreement shall be deemed to create any third-party benefits or beneficiaries, or create a right or cause of action for the enforcement of its terms, in any entity or person not a ~~Party~~party to this Agreement, including any employees, volunteers, officers or agents of the Parties.

Severability

. In the event that any of the terms, covenants, or conditions of this Agreement, or their application, shall be held invalid as to any person, corporation or circumstance by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and such determination shall not affect or impair the validity or enforceability of any other provision, and the remaining provisions shall be interpreted and applied so far as possible to reflect the original intent and purpose of this Agreement.

Amendments

. This Agreement may be amended only by a signed, written document approved by formal authority of the governing bodies of all of the Parties.

Duplicate Originals

. This Agreement may be executed in several counterparts and by facsimile or electronic pdf, each of which shall be an original, but all of which, together, shall constitute one in the same instrument.

[Signature Pages Follow]

DRAFT

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date indicated.

CITY OF LITTLETON

By: _____
Debbie Brinkman, Mayor

Date: _____

Address: 2255 W. Berry Ave.
Littleton, CO 80120

Attest:

Wendy Heffner, City Clerk

SOUTH METRO FIRE RESCUE FIRE
PROTECTION DISTRICT

By: _____
Laura Simon, President

Date: _____

Address: 9195 E. Mineral Ave.
Centennial, CO 80112

Attest:

Ronda Scholting, Secretary

SOUTH METRO/CUNNINGHAM FIRE
RESCUE AUTHORITY

By: _____
Laura Simon, President

Date: _____

Address: 9195 E. Mineral Ave.
Centennial, CO 80112

Attest:

Ronda Scholting, Secretary

DRAFT

DRAFT

EXHIBIT A

South Metro/Cunningham Fire Rescue Authority Creation and Pre-Unification
Agreement

DRAFT

EXHIBIT

DRAFT

EXHIBIT B

FORM OF BALLOT QUESTION

Shall the following described area become a part of the South Metro Fire Rescue Fire Protection District upon the following conditions?

Description of Area: All real property located within the boundaries of the City of Littleton.

Summary of Conditions:

1. If the proposed inclusion is approved by a majority of the eligible electors, City of Littleton shall reduce its property taxes by 4.662 mills for taxes collected for fiscal year ~~2019~~2020;
2. Unless otherwise approved by the voters in advance, the maximum mill levy that may be imposed by South Metro Fire Rescue Fire Protection District is 9.25 mills, exclusive of refunds and abatements; and
3. The proposed inclusion is subject to the terms and conditions of the South Metro District/City of Littleton Pre-Unification and Fire Authority Member Agreement dated _____, April 18, 2018.

For inclusion

Against inclusion.....

EXHIBIT EXHIBIT C

FIRE DEPARTMENT ASSETS FIRE DEPARTMENT ASSETS

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