

**CITY OF GOODYEAR  
COUNCIL ACTION REPORT (CAR)**

<b>SUBJECT: Approve Rural Metro Settlement and Release and Contract for Mutual Aid Fire and EMS Response between Rural/Metro Fire Department Inc. and City of Goodyear</b>	<b>STAFF PRESENTER:</b> Paul Luizzi, Fire Chief  <b>CASE NUMBER:</b> None  <b>OTHER PRESENTER:</b> None
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**PROPOSED ACTION:**

Approve settlement and release and mutual aid agreements between Rural Metro Fire Department Inc. (Rural Metro) and the city of Goodyear for fire and emergency services.

**BACKGROUND AND PREVIOUS ACTIONS:**

On September 23, 2002, the City Council terminated its existing mutual aid agreement between the city and Rural Metro. At that time it was determined that termination of this agreement was in the best interests of Goodyear and its citizens primarily because there was no reciprocity for city of Goodyear. The city decided that it would not respond to Rural Metro fire service requests.

On August 18, 2003, the City Council reconsidered its current policy of not responding to Rural Metro fire service requests. Following council discussions and subsequent discussions with Rural Metro, the city entered into an oral agreement regarding future fire services. After the city provided notice of the oral agreement, Rural Metro continued to request Goodyear fire services and continued to pay Goodyear in accordance with the terms of the oral contract.

From October 2003 until August 2013, Rural Metro paid invoices to Goodyear for fire and emergency services assistance; however, in August of 2013, the Rural Metro declared bankruptcy and no longer provided payments for city services. After emerging from bankruptcy Rural Metro continued to not pay invoices they received from the city of Goodyear. The city of Goodyear made multiple attempts to demand payment without any resolution and on September 22, 2017 Rural Metro agreed to settle their previous debt of \$82,989 for \$40,000, provide a security/performance bond to cover any future unpaid invoices (for the initial term of the agreement) in the amount of \$30,000, enter into a new mutual aid agreement that would include an administrative processing fee of \$500 for any future late payments.

**STAFF ANALYSIS:**

The settlement and release agreement allows the city to resolve an outstanding debt without filing a lawsuit and incurring additional litigation expenses and provides security for future unpaid invoices. As for the mutual aid agreement, the fire department does not anticipate this agreement contributing to a significant call volume burden. Since January 1, 2017 the Goodyear Fire Department has responded to 7 calls for mutual aid service to Rural Metro. Additionally, a review of previous calendar year requests for services indicate that Goodyear only responded to

19 calls for service from January 1, 2012 to December 31, 2016 (an average of less than 4 calls per year).

**FISCAL ANALYSIS:**

Per Council approval, the new mutual aid contract payment terms will cover the apparatus and personnel assigned to calls at an hourly rate. Costs will increase for every fifteen minutes over the hour based on the apparatus assigned. On a typical house fire response the city of Goodyear would invoice Rural Metro \$2,038.42 for the units assigned to the call, which on average would be an hour. The settlement and release agreement resolves and outstanding debt without incurring any additional fees and the risks associated with litigation.

**RECOMMENDATION:**

Staff recommends that the City Council approve the Rural Metro Settlement and Release and Contract for Mutual Aid Fire and EMS Response between Rural Metro Fire Department Inc. and City of Goodyear

**ATTACHMENTS:**

- 1) 2017 Rural Metro Settlement and Release
- 2) Mutual Aid Contract