**COOPERATIVE AGREEMENT**

This Agreement is made this \_\_\_\_ day \_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_ , by and among \_\_\_\_\_\_ Township and \_\_\_\_ Township, hereinafter "Townships", \_\_\_\_\_\_\_\_ Borough, hereinafter "Borough" and all three entities collectively called “Municipalities” and the Millheim Fire Company No. 1, hereinafter "Fire Company".

The term of this Agreement shall be for 31 years following the Agreement date above unless otherwise amended.

**BACKGROUND**

Whereas the Pennsylvania Borough code and Pennsylvania Second Class Township code give the municipalities the responsibility to acquire, operate and maintain motor vehicles for the purposes of conveying persons to and from hospitals, and it may appropriate moneys toward ambulance and rescue and life saving services and make contracts relating thereto and or provide for fire protection within their respective municipalities.

and

The Millheim Fire Company No. 1and it’s volunteer members serves the Municipalities of \_\_\_\_\_\_ Township, \_\_\_\_ Township and \_\_\_\_\_\_\_\_ Borough with first due Fire and Basic Rescue Services.

**INTENT**

NOW, THERFORE, intending to be legally bound, the parties intend to establish and participate in a fair and equitable agreement with the premise to provide Fire and Rescue Services for the citizens and their property of the municipalities. Whereby the municipalities shall provide financial support to enable the Fire Company to provide the Fire and Basic Rescue Services and limited hazardous materials response via a shared Municipal Levy Fund.

**ORGANIZATION and CONSTRUCTION**

The parties will establish a four member joint committee which shall consist of the following: one(1) committee member and one alternate from each of the two Townships, one (1) committee member and one alternate from the Borough, and one (1) committee member and one alternate from the Fire Company. The committee will function as the “Municipal Levy Fund Committee”. There shall be no requirement or exclusion that committee members be an officer of the fire company or an elected municipal official. Municipal committee members shall be either a real estate or income tax paying resident of the Municipality for which they represent. The Municipalities shall appoint their committee member and alternates on a yearly basis at their January organizational meeting. The Fire Company committee members shall be member of the Fire Company in good standing and either a real estate or income tax paying resident of one of the three municipalities. The Fire Company shall appoint their representative and alternate on a yearly basis at their December meeting. Nothing shall preclude any Municipal or Fire Company representative or alternate from serving successive terms. No committee member shall simultaneously fill two seats such as a representative committee member or alternate of any of the municipalities as well as the representative committee member or alternate for the Fire Company.

The Municipal Levy Fund Committee shall elect a Chair Person and Recording Secretary for the Municipal Levy Fund Committee at their first meeting of each year or successive year. The Chair Person or Recording Secretary may be one of the alternates but shall not have voting privileges unless their respective representative is absent. The Municipal Levy Fund Committee Chair Person shall call to schedule, organize and conduct meetings of the Municipal Levy Fund Committee and its members. The Municipal Levy Fund Committee Recording Secretary shall record, distribute and maintain minutes of all Municipal Levy Fund committee meetings. Any additional financial reports or documents presented to the Municipal Levy Fund committee shall be maintained by the Recording Secretary. The Recording Secretary shall maintain records in a long term secure storage facility and shall make access available to the committee or its members as they may request. Copies of minutes, financial reports and any other documents presented at the Municipal Levy Fund Committee meetings will be forwarded to each respective Municipality and Fire Company Secretary in either hard copy or electronic document format.

The Municipal Levy Fund Committee alternate committee members from any of the Municipalities or Fire Company shall vote only in the absence of the primary representative. Nothing shall preclude the alternate committee members from attending or engaging in discussion during Municipal Levy Fund Committee meetings.

The Municipal Levy Fund Committee shall meet as needed when any expenditures or purchases using Municipal Levy Fund monies are contemplated by the Fire Company or to review and make recommendation on submitted budgets.

A quorum to conduct a meeting and conduct business of the Municipal Levy Fund Committee shall consist of at least three (3) of the four (4) representative committee members or their alternates in the absence of the primary committee member.

All Municipal Levy Fund Committee meetings will be open to the general public or visitors and held at a public location. Unless overruled by majority vote of the Municipal Levy Fund Committee, the Municipal Levy Fund Committee Chair Person shall have the right as to whether or not to allow the general public or visitors to address the committee or engage in discussions during meetings of the Municipal Levy Fund Committee.

The Municipal Levy Fund Committee shall oversee all monies appropriated by the member Municipalities or the Fire Company for the Municipal Levy Fund. Separate Municipal Levy Fund bank, investment account(s) or investment instrument will be established under the Fire Company's Tax Identification Number (TIN/EIN) and each Municipality will forward their respective Municipal Levy Fund revenues to this account on a yearly basis along with a report of income and expenses for their individual appropriations.

The Municipal Levy Fund Committee at its discretion will either establish an independent audit committee or attain an outside Certified Public Accountant to conduct an annual audit of the Municipal Levy Fund. The report of the annual audit shall be provided to each member Municipality and the Fire Company. A copy of all audits will be maintained by the Municipal Levy Fund Committee Recording Secretary.

The Municipal Levy Fund Committee shall establish and update as necessary written guidelines as to the expenditures which shall be authorized for use of Municipal Levy Funds and shall provide a copy of the guidelines to the Member Municipalities and the Fire Company.

The Municipal Levy Fund Committee shall meet and review the Annual Fire Company Municipal Levy Fund budget request and shall at its discretion and by majority vote make pre-authorizations of expenditures of certain budget items by the Fire company as “Normal” expenditures as long as the amount of the expenditure does not exceed the budget line item by more than 5%.

The Municipal Levy Fund Committee will meet, discuss and approve/disapprove by a majority vote the Fire Company’s submitted annual budget either as a whole or by line item as it sees fit and make recommendations back to the Fire Company for possible budget revisions. The Committee will have the authority to amend the budget as needed as long as the revisions meet the intent of this agreement and the current written established expenditure guidelines.

The Municipal Levy Fund Committee will use the final approved budget and any revisions in determining a proposed real estate millage rate and will make recommendation to each member Municipality by August 25th of each year of a real estate levy millage rate to be considered by the member Municipalities.

If during the term of this agreement or any extension thereof, if it is determined by the Municipal Levy Fund Committee that the revenues generated by the current real estate levy millage rate is insufficient to pay for the then current operating costs of the Fire Company or would be unable to fund long term purchases and would endanger the safety of the citizens or the property thereof, then the Municipal Levy Fund Committee shall make a determinate of an revised millage rate and shall forward such recommendation to the member municipalities for enactment.

**FIRE COMPANY RESPONSIBILITIES**

The Fire Company shall establish and maintain bank, investment, or investment instrument accounts as requested by the Municipal Levy Fund Committee.

The Fire Company shall hold all monies of the Municipal Levy Fund in separate accounts from all other fire company funds and shall not comingle funds. The Fire Company shall make timely deposits of appropriated funds, maintain ledgers and bank statements of all Municipal Levy Fund Accounts.

The Fire Company shall provide a Disbursing Officer or Treasurer’s Bonds in an amount equal to the current or projected Municipal Levy Fund balance.

The Fire Company shall provide financial documents, bank and investment account statements and reports to the Municipal Levy Fund Committee or auditors appointed by the Municipal Levy Fund Committee for audit purposes.

The Fire Company shall require a minimum of either two officers of the Fire Company or an officer of the Fire Company and a Member or alternate of the Municipal Levy Fund Committee to sign any document relating to either loans, purchase agreements, disbursement or expenditures of Municipal Levy Fund monies or to any associated budgeted expenditures involving Municipal Levy Fund monies. The Fire Company Treasurer shall be responsible for maintaining current account signature cards for all accounts of the Municipal Levy Fund. The Fire Company Treasurer shall be responsible for balancing accounts and preparing reports and draft budgets of the Fire Company to the Municipal Levy Fund Committee.

The Fire Company shall provide financial documents, bank and investment account statements, reports, payment and/or budget projections to the Municipal Levy Fund Committee for use by the Municipal Levy Fund Committee in determining short or long term investment strategy, short or long term budgets and making recommendations to the member Municipalities.

The Fire Company shall only make “Normal” expenditure of funds of the Municipal Levy Fund without individual authorizations of the Municipal Levy Fund Committee. Normal expenditures are defined as individual purchases or loan payments of loans approved by the Municipal Levy Fund Committee, Municipal Levy Fund Committee approved budget items, Municipal Levy Fund audit costs, Disbursing or Treasurer’s bond costs, Insurance policies covering Fire Company owned vehicles, small equipment, building, Liability or Errors and Omissions, Accidental Death or Dismemberment Insurance policies; Recruitment and Retention incentives, Municipal Levy Fund Committee meeting place costs, administrative costs of the Municipal Levy Fund Committee Recording Secretary including long term records retention facilities and backup records cost such as an digital on-line storage provider, postage and administrative costs of any of the above which are contained in the current Municipal Levy Fund guidelines as established by the Municipal Levy Fund Committee or the approved annual Municipal Levy Fund budget.

The Fire Company shall report in writing to the Municipal Levy Fund Committee any expenditure which exceeds any preauthorized or budgeted amount and make restitution to the Municipal Levy Fund any amounts which are not subsequently authorized by majority vote of the Municipal Levy Fund Committee.

Any emergency expenditures of funds of the Municipal Levy Fund by the Fire Company which are not a “Normal” expenditure as defined above shall be within 72 hours reported in writing by the Fire Company to the Municipal Levy Fund Chairperson or Recording Secretary and each of the individual municipality’s respective secretaries. Emergency expenditures are further defined as an circumstance in which an immediate purchase or repair is necessary to prevent a serious delay, which reasonably could result in a danger to the safety of firefighters or residents of the community, damage to property or suspension of essential services by the Fire Company.

The Fire Company shall immediately make repayment to the Municipal Levy Fund of any “Emergency” or other expenditures that are subsequently determined by majority vote of the Municipal Levy Fund Committee to be in contravention to this agreement, the Municipal Levy Fund guidelines, the annual budget or to the detriment to the intent of the Municipal Levy Fund.

The Fire Company will provide a draft budget of the Municipal Levy Fund to the Municipal Levy Fund Committee by July 1st of each year for the following calendar year. The budget will be broken down into two major parts; annual operating costs and a long term 25 to 30 year budget as a planning tool for future major purchases/expenditures where funds will have to be aggregated for a number of years to enable purchases or expenditures to be made without affecting annual operating costs. The Fire Company shall amend and update the long term 25 to 30 year budget on a maximum 5 year interval for the term of this agreement.

The Fire Company shall include with the final budget a copy of an itemized listing of all expenditures from the fund for the preceding calendar year

Along with the draft budget the Fire Company shall provide a report of calls to the Municipal Levy Fund Committee for the past calendar year listing the types of calls, the count of calls, and the number of calls within each of the respective served municipalities and also mutual aid calls outside of the primary service area.

As part of the Municipal Levy Fund budget discussion, the Fire Company will communicate their General Fund account budget from other sources to the Committee for information only.

Nothing in this agreement shall preclude the Fire Company from providing mutual aid to requesting parties.

Nothing in this agreement shall preclude the Fire Company from billing for services or costs thereof.

Nothing in this agreement shall preclude the Fire Company from attaining grants to supplement the Municipality provided funds for the Municipal Levy Fund.

Nothing in this agreement shall preclude the Fire Company from participating in joint purchases with surrounding fire companies by which said purchases become the property of the Fire Company or joint property of multi-jurisdictional Fire Company organizations.

The Fire Company shall maintain an inventory of items purchased with Municipal Levy Funds and shall report the status to the Municipal Levy Fund Committee and the member municipalities. The inventory shall contain information as to make and model, serial number, date of acquisition, acquisition cost, current condition and anticipated service life expiration. All vehicle and equipment items purchased with Municipal Levy Funds shall be maintained by the Fire Company for the serviceable life thereof.

Nothing in this agreement shall require that the Fire Company relinquish ownership, command and control of Fire Company property or equipment.

The Fire Company shall provide a community emergency shelter for public use as necessary for citizens of the fire district.

The Fire Company shall render fire protection and basic rescue services within the fire district as the district presently or hereinafter may be constituted, endeavoring to maintain a fire protection rating equal to the present or better. The Fire Company in rendering said fire protection and basic rescue service shall have the sole discretion as to staffing and equipment that shall respond to each call, and shall be the sole judge as to the most expeditious, efficient, and effective manner of handling and responding to calls for services or the rendering thereof and the municipalities shall each receive equal priority.

The Fire Company shall headquarters and garage firefighting and rescue apparatus at it’s current location on North Street in Millheim or it’s adjacent property. Unless approved by the Municipal Levy Fund Committee board, the Fire Company shall not headquarter or garage firefighting or rescue apparatus at a satellite station unless one of the two conditions require it: a. future consolidation of services add additional service area and require additional equipment or apparatus be acquired; b. future growth in population or building density requires additional equipment to provide an adequate level of service and satisfactory response times to emergency incidents.

**MUNICIPALITY RESPONSIBILITIES**

The Municipalities shall individually enact by resolution or ordinance an equal real estate millage to provide the financial support of the Municipal Levy Fund at a millage rate in accordance with applicable Municipal law and in accordance with the recommendations of the joint Municipal Levy Fund Committee. The individual Municipalities shall designate that the dedicated Real Estate Assessment Levy is to support the Municipal Levy Fund and appropriate collected funds to the Municipal Levy fund in accordance with this agreement or as it may be amended from time to time.

Each member municipality will forward their revenues from the enacted real estate levy to the Fire Company for deposit to the Municipal Levy Fund within 30 days of receipt from the Tax Collector. Each member Municipality shall provide yearly a separate report detailing the value of the Real Estate within their respective municipality, the amounts collected, the amounts uncollected, the amounts disbursed for collections costs and any other amounts that may be attributable to the balance of funds designated for the Municipal Levy Fund.

The member Municipalities shall review the proposed yearly Municipal Levy Fund Budget and or long range budget at their August or September meetings and comment back to the Committee affirming the proposed budget or comment back to the Committee items of concern requiring adjustments, additions, corrections or deletions. Comments shall be transmitted back to the Committee by the last day of September.

The member Municipalities shall not later than their December meeting pass a new resolution or ordinance or amend previous resolutions or ordinances to effect any required changes to the municipal real estate levy.

The member municipalities understand that the Millheim Fire Company does not provide water rescue, boat rescue, ladders trucks or high elevation equipment, hazardous materials response, wheeled forest fire fighting type equipment to effect rescues or fire suppression in these specialized areas and shall rely on the good graces of the mutual aid of surrounding communities to provide these service to the citizens and properties of the area. In addition the Fire Company does not provide fire inspection or testing, plan review or inspection of fire protection systems, open burning or fireworks permitting.

Any member Municipality wishing to withdraw from this agreement shall give minimum of 1 year written notice to each of the other member municipalities and the Fire Company. The withdrawing Municipality shall forfeit any all monies previously appropriated, presently collected or allocated to the Municipal Levy Fund.

Any member municipality failing in good faith to pass an resolution or ordinance setting the real estate millage rate at the rate recommended by the committee and equal of the other member municipalities shall forfeit their membership and past contributions in the Municipal Levy Fund.

**MUNICIPAL LEVY FUND RESPONSIBILITIES**

The Municipal Levy Fund and its members shall endeavor to provide for the safety and welfare of the citizens and property of the member municipalities and any visiting citizen of the world.

**DISPUTE RESOLUTION**

The parties agree to make all reasonable efforts to resolve through informal, good faith negotiations any disputes concerning the terms and conditions or performance of this Agreement. In the event of a dispute, notice of the dispute shall be provided in writing and shall be delivered by first class mail, postage pre-paid to all parties of this agreement. The notice shall set forth with reasonable specificity the factual basis for the claimed dispute. All Parties shall jointly cooperate to informally resolve any disputes as quickly and efficiently as possible, but in any event not more than sixty (60) calendar days from the date of the notice unless extended by mutual written agreement of all parties.

**RELIEF PROVIDED BY LAW**

If the parties cannot resolve disputes through good faith negotiations the aggrieved party shall at it’s option file suit in the Court of Common Pleas of Centre County and shall be adjudicated by a non-jury trial. All individual costs of suit shall be borne by each respective party.

At all times prior to resolution of the dispute by negotiations or suit , the Parties shall continue to perform services and make any required allocations under this Agreement in the same manner and under the same terms as existed prior to the dispute.

This instrument constitutes the entire Agreement between the parties and supersedes all prior agreements.

No modification or amendment of this agreement shall be valid unless evidenced in writing, properly agreed to, and signed by all parties.

Section titles or other headings contained in this Agreement are for convenience only and shall not be part of this Agreement, nor be considered in its interpretation.

This Agreement may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall constitute one and the same instrument. This Agreement is and shall be deemed jointly drafted and written by each of the Parties to it, and it shall not be construed or interpreted against any of the Parties originating or preparing it.

If any provision(s) of this Agreement are held invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives originally intended.

This agreement and any amendments shall be filed with the Centre County Recorders office.

Executed the date first above written.

ATTEST: \_\_\_\_\_\_ TOWNSHIP

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTEST: \_\_\_\_ TOWNSHIP

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTEST: \_\_\_\_\_\_\_\_ BOROUGH

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ATTEST: MILLHEIM FIRE CO. NO. 1

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ BY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_