

**SWARTZ CREEK - CLAYTON TOWNSHIP
AMENDED AND RESTATED
FIRE DEPARTMENT AGREEMENT
2025-2028**

THIS AGREEMENT is made this 1st day of September, 2025, by and between the City of Swartz Creek, a Michigan municipal corporation with principal offices at 8083 Civic Drive, Swartz Creek, Michigan 48473 ("City") and the Charter Township of Clayton ("Township"), a Michigan public body corporate, with principal offices at 2011 South Morrish Road, Swartz Creek, Michigan 48473 ("Township").

WHEREAS, the City and the Township have for many years, jointly provided fire protection services to their geographical areas; and

WHEREAS, the joint provision of such fire protection services was covered by a written agreement; and

WHEREAS, the Michigan Urban Cooperation Act of 1967, 1967 PA 7 (Ex Sess) [MCL 124.501 et seq] ("UCA") authorizes two municipalities to enter into an interlocal agreement by which they agree to exercise jointly "any power, privilege, or Board that the agencies share in common and that each might exercise separately;" and.

WHEREAS, section 7 of the UCA [MCL 124.507] provides that such an interlocal agreement "may provide for a separate legal or administrative entity to administer or execute the agreement which may be a commission, board, or council constituted pursuant to the agreement," and that such administrative entity "shall be a public body, corporate or politic for the purposes of this act;" and

WHEREAS, the City and the Township share in common the power and Board to establish and maintain a fire department and provide fire protection services; and

WHEREAS, as empowered to do so by the UCA, the City and the Township wish to continue to jointly provide fire protection services and operate a fire department to serve the City and the Township and to do so under the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereto acting pursuant to the Board of resolutions duly adopted by their respective legislative bodies, **HEREBY AGREE AS FOLLOWS:**

1. POWERS AND DUTIES OF THE SCAFD BOARD

Pursuant to the Board of section 7 of the UCA [MCL 124.507] there is hereby established an administrative entity to administer and execute this interlocal agreement, such entity to be known as the "Swartz Creek Area Fire Board" ("Board").

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2. Name.

The Board shall provide its fire protection services and shall conduct its business under the name, "Swartz Creek Area Fire Department," and shall file a d/b/a certificate to that effect with the Genesee County Clerk.

3. Governance of Board.

A. The SCAFD shall be governed by a Board consisting of seven (7) members ("Board") who shall be appointed as follows:

- 1) Three (3) members shall be appointed by the City, two of whom shall be members of the City Council. The other City appointees shall be residents of the City and shall hold no other elective City office.
- 2) Three (3) members shall be appointed by the Township, two of whom shall be members of the Township Board. The other Township appointees shall be residents of the Township and shall hold no other elective Township office.
- 3) The seventh member shall be appointed on an alternating basis between the parties with the Township appointing the position in the odd years and the City in the even. Such member shall be appointed as and be designated as the "at-large" member. The at-large member shall be appointed for a term of one year commencing on April 1 of each year and at the completion of said term the appropriate appointing Board shall designate its appointee as the at-large member.
- 4) Except as provided in subparagraph (5), below, no active Swartz Creek Area Fire Board firefighter, volunteer or otherwise, shall be eligible for appointment to the Board.
- 5) The Fire Chief shall be an ex-officio member of the Board but shall have no right to vote on matters coming before the Board.
- 6) Each of the appointees, including the at-large member, shall hold office until their replacement is appointed as provided herein.
- 7) Vacancies shall be filled by the appropriate appointing Board consistent with the provisions contained herein related to appointees to the Board.

B. The Board shall have the exclusive authority to manage and operate the provision of fire protection services to the City and Township and shall have, except as otherwise provided or limited by the terms of this agreement, such power as may be required for the faithful performance of its duties.

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C. The Board shall develop and maintain a command structure for the Fire Department which shall be headed by a Fire Chief who shall be appointed to a majority vote of both the Township Board and the City Council and shall serve at the pleasure of the Board. The terms and conditions of employment for the Fire Chief shall be set forth in a separate employment agreement. The termination of the Fire Chief shall require a super majority vote of the Fire Board. Such termination of the Fire Chief appointment or termination of the Fire Chief by the Board may be overruled by a majority vote of both the Township board and the City Council, but such votes must occur within sixty (60) days of termination.

The SCAFD Chief shall seek, and interview paid, on-call firefighters and shall recommend, in writing to the SCAFD Board, the hiring of all employees. All employees shall be hired by a majority vote of the SCAFD Board. The number of employees shall be limited by the budget allocated to the SCAFD by the Township Board and the City Council. Employees of the SCAFD may only be terminated following a written recommendation to the SCAFD Board by the SCAFD Chief. Employees of the SCAFD may only be terminated following being terminated by a majority vote of the SCAFD board.

No member of the Township Board or the City Council shall be eligible for the appointment to, or serve as an employee of the SCAFD, including in the capacity as either a full or part-time Firefighter, whether paid, on-call or volunteer.

D. The Board shall provide the fire protection services provided for herein through the use of paid on-call firefighters; provided, however, that the Board shall not have the authority to hire or otherwise retain full-time or part-time personnel without there being funds in the budget for such hiring or retention. Nothing contained herein shall prohibit the Board from contracting with a volunteer or on-call organization for services on an "as needed basis"

E. The SCAFD Board and its members shall be responsible for reasonable reporting requirements and providing information to the Township or the City as requested.

4. BYLAWS

The SCAFD Board shall establish its own Officers and adopt bylaws to govern the conduct of meetings. The SCAFD Board shall not adopt any rules or regulations that exceed the provisions of this Agreement or the provisions of [MCL 124.501 et al].

The SCAFD Board shall only operate and conduct business with a quorum of five (5) members present and by a super majority vote of the entire membership, which is seven (7) Members. Five 5 votes is a super majority.

5. FIRE HALLS

A. The Township hereby provides the fire hall located at 1494 Seymour Road in the Township at the disposal of the Board for its use during the effective period of this Agreement.

- B. The City hereby provides the fire hall located at 8100-B Civic Drive in the City at the disposal of the Board for its use during the effective period of this Agreement:
- C. Such use shall be subject to the following:

- 1) The City and Township shall each retain ownership of, or lease rights to the fire halls so designated and the Board shall have no power to use or authorize the use of the fire halls for any use other than the provision of fire protection services to the City and Township, unless authority for such other use or activity is obtained in writing, email acceptable, from the City (as to the City's fire hall) or the Township (as to the Township fire hall).
- 2) The Board shall not engage in any activity or take any action which will result in a lien, mortgage, or other encumbrance on the title of the City or the Township to their respective fire halls or the land on which they are located.
- 3) The Board shall be responsible for payment of all utilities for the designated fire hall during the effective period of this Agreement.
- 4) No additions and/or alterations to said fire halls may be made by the Board without the express prior written approval of the governmental unit owning said structure; provided, however, that upon termination of this Agreement such additions and/or improvements shall become the property of the governmental unit owning the structure.
- 5) Building features including the roof, outside walls, flooring, plumbing, mechanical, and electrical shall be the responsibility of the municipalities, save for the instances in which Lessee is responsible for the damage to the same.
- 6) Municipalities shall provide lawn mowing services and snow/ice removal services for the parking areas.

6. SCAFD ASSETS

- A. Except as may be provided above as to the fire halls, the City and Township shall each have an undivided one-half (1/2) interest in and to all assets of the Board. An inventory of said assets shall be prepared annually by the Board and filed with the City Clerk and the Township Clerk as provided in subparagraph D, below.
- B. All of the assets of the Board shall be housed at the fire halls designated within this agreement in such quantities as shall, within the discretion of the Board, provide maximum efficient fire protection services for the areas to be provided such service.
- C. Assets that are determined by the Board to have no value, due to age or damage, shall be destroyed. Assets that have value, but are no longer needed by the SCAFD, shall be sold by sealed bid, RFP, auction or online internet auction to the highest bidder. The Board shall create and implement a policy for disposal of such assets. Assets that have been sold shall be logged as such on the annual inventory for at least one year.

D. The Board shall file an annual inventory of such assets with the City and the Township no later than February 15th of each year. The inventory should include individual assets valued at \$500.00 or more at time of purchase or donation and like-kind assets that, in their aggregate, are valued at \$500.00 or more. The form of the inventory should contain the following, if possible:

1. Description
2. Cost per item
3. Quantity
4. Purchase Date
5. Life of assets
6. Serial Number
7. Model Number
8. Location
9. Assets Condition
10. Manufacture if applicable
11. Disposal Information when the asset is no longer in service – date retired, proceeds from disposal
12. Insurance information if relevant – insurer, policy expiration, policy number, insured value.

7. ADDITIONAL ASSETS

Nothing contained herein shall prohibit the City or the Township from acquiring such additional equipment and/or providing such additional services as it seems to be used within its boundaries. Such additional equipment and/or services provided shall not be subject to the terms of this Agreement and ownership of same shall not be shared.

8. INSURANCE

The Board shall secure and keep in force and effect during the effective period of this Agreement appropriate property damage and public liability insurance insuring its activities in such amounts as it sees fit; however, in no instance shall such limits of insurance be less than One Million Dollars (\$1,000,000) Single Limit Public Liability and Property Damage Policy, with a Three Million Dollar (\$3,000,000.00) Umbrella. In addition, thereto the Board shall secure and keep in force and effect during the effective period of the Agreement appropriate workmen's Compensation Insurance coverage and any other insurance coverage's required by law.

9. SERVICES TO OTHER GOVERNMENT UNITS

The Board shall not provide fire protection services to other governmental units, by contract or otherwise, without first obtaining the approval of the City and the Township before such services are rendered; provided, however, that such prohibition shall not extend to participation by the Board in a mutual aid pact with other units of government. Pursuant to the SCAFD Evaluation, all current mutual aid pacts should be reviewed by the SCAFD Board to redefine the terms under which automatic mutual aid is provided to obtain a more equitable balance of

services. All aid agreements currently in place shall become attachments to this agreement. Any future aid agreements shall be approved by the City and the Township.

10. BOOKS AND RECORDS; ANNUAL AUDIT

- A. The Board shall provide for the keeping of books and records regarding its operation. The keeping of such books and records shall conform to generally accepted accounting principles.
- B. The Board shall provide for an annual audit of its revenue and expenditure. The auditing firm shall be selected through competitive bidding every 3 years.
- C. The audit shall be completed no later than ninety (90) days following the close of the Board's fiscal year, and a copy of said audit shall be submitted to the City Clerk and the Township Clerk within seven (7) days after its review by the Fireboard.

11. FISCAL YEAR; BUDGET

- A. The fiscal year of the Board shall be from January 1 through December 31.
- B. Beginning no later than August 1 of each year, the City Manager and the Township Supervisor shall meet with the Fire Chief and develop a draft budget. The draft budget shall be submitted to the Board no later than October 1.
- C. The Board shall review the proposed budget of its anticipated expenses, including any suggested amendments, and shall by a super majority vote of the Board, forward same to the City Council and Township Board for approval no later than October 31 of each year. The City and the Township may approve the budget as presented or may approve it with amendments. The final budget shall be in such form as shall be approved by both the City and the Township.
- D. Upon approval of the final budget, the City and the Township shall each appropriate its share of the funding for said budget, and such funds shall be transmitted to the SCAFD Board for its use. Once the final budget is approved, such sums as each party are required to contribute shall be a debt of each notwithstanding any subsequent disagreement between the parties.
- E. The SCAFD Board shall expend funds pursuant to the adopted budget; provided, however, the Board shall have the authority within a single year, without the approval of the City and Township, to amend line item(s) expenditures by an amount not to exceed five percent (5%) of the final budget as approved by the City and the Township, so long as the total budget is not exceeded. Line-item budget amendments exceeding five percent of the total budget, singularly or cumulatively in a single fiscal year shall require approval of both the City and Township.
- F. The Board shall not exceed the budget as approved by the City and Township without express prior approval by both the City and Township who, concurrent with such approval, shall appropriate such sums as are necessary to finance such increased

expense. No additional line items shall be added or included in the approved budgets without approval of the legislative bodies of both municipalities.

12. CAPITAL IMPROVEMENT FUND

The City and the Township, agree a Capital Improvement Program Fund (CIPF) is hereby established within each municipal unit of government. The City and the Township shall determine an amount to be contributed to their CIPF, said contribution to be appropriated each year. The City and the Township, by a mutual agreement of the majority of each governing boards, may elect to deposit any unspent operating funds left over from a previous year budget, into their CIPF.

13. COSTS OF FIRE RUNS; LABOR COSTS

Except as to the labor costs attendant with each fire run, the entire cost of providing fire protection services as agreed to herein shall be borne by the City and Township equally. As to labor costs attendant with each fire run, it is hereby agreed that such cost shall be borne solely by the party, City or Township, wherein the service is provided. Such costs shall be provided for in the budget required by paragraph 13 hereof. The City and the Township, shall work to develop a cost recovery ordinance that both municipalities can adopt and implement.

14. EFFECTIVE DATE; TERMS; EXPIRATION OF TERM

The effective date of this agreement is September 1, 2025. The term of this Agreement shall be September 1, 2025 through August 31, 2028. The expiration of this agreement shall not operate to relieve the City or the Township of their financial obligations hereunder. The financial obligations of each party shall continue until all termination activities set forth in paragraph 16, below, are completed.

15. TERMINATION

Upon termination of this agreement, the Board shall proceed as follows:

- A. At least sixty (60) days prior to the termination date, the Board shall cause its last annual inventory to be made current.
- B. The Board shall cause an appraisal to be made of all of the assets under its control other than the fire halls and the described in sections 7 and 8. Said appraisal shall be made no later than thirty (30) days prior to the date of termination and shall be submitted to the City Clerk and the Township Clerk forthwith.
- C. The Board shall attempt to assign the assets to the parties consistent with the provisions and intent of this agreement. Upon completion of such asset assignment, the Board shall recommend same to the City and the Township. Upon agreement of the City and the Township, the Board shall assign the assets to the parties.

E. Notwithstanding the termination date and/or its attempts to assign the assets, the Board shall continue to perform its duties and obligations until the effective date of the termination of this agreement.

16. NEGOTIATED ASSIGNMENT

The parties need not wait for the recommendation of the Board as to the division and assignment of assets, but may commence negotiations relative to such division and assignment at any time prior to the termination date; provided, however, that the parties by and through their respective governing bodies, shall meet no less than sixty (60) days prior to effective date of termination, if agreement or assignment of assets has not otherwise occurred, to negotiate assignment of assets and/or the providing for an orderly transition and continuing of fire protection services beyond the termination date.

17. NOTICES

Any notice, demand, or communication required, permitted, or desired to be given under this agreement shall be deemed effectively given when personally delivered or mailed by certified mail addressed as follows:

If to the City:

City of Swartz Creek
C/O City Manager
8083 Civic Drive
Swartz Creek, MI 48473
Attention: City Manager

If to the Township:

Clayton Township
C/O Township Supervisor
2011 South Morrish Road
Swartz Creek, MI 48473
Attention: Township Supervisor

The parties may, by notice given hereunder, designate any further or different address to which subsequent notices, demands, or communications may be given.

18. SEVERABILITY

If any provision of this agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this agreement which shall remain in full force and effect and enforceable in accordance with its terms.

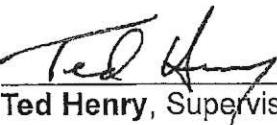
19. ENTIRE AGREEMENT

This agreement supersedes all previous or contemporaneous negotiations and/or agreements and constitutes the entire agreement between the parties with respect to the joint provision of fire protection services in the City and the Township. No verbal statements or prior written materials not specifically incorporated in this agreement have been relied upon by the parties in entering into this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the date first above written.

TOWNSHIP OF CLAYTON

Dated: 8/18, 2025

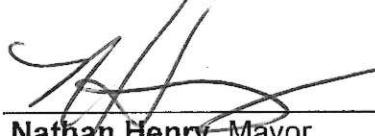
By: 
Ted Henry, Supervisor

Dated: 8/18, 2025

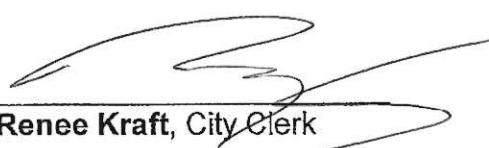
By: 
Dennis Milem, Township Clerk

CITY OF SWARTZ CREEK

Dated: 8/19, 2025

By: 
Nathan Henry, Mayor

Dated: 8/19, 2025

By: 
Renee Kraft, City Clerk