

AGENDA



Thursday, October 22, 2009

**Fire
RECOMMENDATION FOR COUNCIL ACTION****Item No. 16**

Subject: Authorize negotiation and execution of a Renewal and Amendment to the Interlocal Agreement for Fire Protection Services between the City of Austin and the City of Sunset Valley under which Austin provides fire protection and emergency service response to the full purpose and extra-territorial jurisdiction of the City of Sunset Valley

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Fire Chief Rhoda Mae Kerr, 974-0130; Principal Planner Antonio Gonzalez, 974-4115

Prior Council Action: October 02, 2008 - City Council authorized an Interlocal Agreement between the City of Austin and the City of Sunset Valley.

On October 2, 2008, the City Council authorized an Interlocal Agreement between the City of Austin and the City of Sunset Valley for a period of one year beginning October 1, 2008, with renewal options for up to three one year terms. The City of Sunset Valley is required to pay Austin an amount to be determined by multiplying the current fiscal year assessed valuation of Sunset Valley and Sunset Valley's extra-territorial jurisdiction by the fire protection tax rate.

Due to the economic downturn, the City of Sunset Valley has requested a reduction in the consideration due for the Fiscal Year 2008-2009 and Fiscal Year 2009-2010 service periods. The proposed consideration amounts to be paid to the City of Austin for the Fiscal Year 2008-2009 and Fiscal Year 2009-2010 service periods would be \$455,000 and \$400,000 respectively.

The initial term of this renewal is one year, followed by four additional automatic renewals (subject to certain termination rights). The consideration due to the City of Austin for the additional renewals would be determined by multiplying the current fiscal year assessed valuation of Sunset Valley by the fire protection tax rate.

If the City of Sunset Valley terminates the agreement at any time, they will pay the City of Austin a prorated amount for the specific service period and the difference between the consideration amounts calculated under the formula in the agreement and the \$455,000 and \$400,000 payment amounts for the Fiscal Year 2008-2009 and Fiscal Year 2009-2010 service periods.