South Lake Minnetonka Police Department Joint Powers Agreement

TO PROVIDE FULL-TIME POLICE PROTECTION AND SERVICE FOR THE CITIES OF EXCELSIOR, GREENWOOD, SHOREWOOD, AND TONKA BAY

08.01.23 EFFECTIVE DATE

The Parties to this Joint Powers Agreement ("JPA" or "Agreement") are the municipalities of Excelsior, Greenwood, Shorewood, and Tonka Bay of the State of Minnesota which have the responsibility for providing for law enforcement within their respective cities so as to enforce the ordinances of these cities and the laws of the State of Minnesota. The original police department JPA for the Parties was executed in 1973. This updated Agreement is made pursuant to Minnesota Statutes, Section 471.59.

Section 1: General Purpose

The general purposes of this Agreement are to continue employment of a full-time Chief of Police to act on behalf of the Parties to this Agreement and to provide assistance to the Chief of Police in the form of police officers, community service officers, administrative staff, police facility, equipment, and supplies as may be necessary so as to provide the Parties with law enforcement services in the discharge of the duties imposed upon said municipalities to protect and serve the health and welfare of their citizens and property located within their cities. It is the opinion of the Parties to this Agreement that continued joint action to operate a joint police department to serve the four communities will continue to result in a higher standard of police service, closer control of the police force by the municipalities it serves, and more efficiency and financial savings to the communities.

Section 2: Definition of Terms

For the purpose of this Agreement, the terms in this section shall have the following meanings:

A. "Committee" means the organization created under this Agreement, the full name of which is the "Coordinating Committee for the South Lake Minnetonka Police Department."
B. "Committee Funds" means all funds for the South Lake Minnetonka Police Department.
C. "Committee Member" means a member of the Committee.
D. "Council" means the governing body of the Governmental Unit which is a Party to this Agreement.
E. "Governmental Unit" means a city or municipality.
F. "ICR" means Incident Call Reports as compiled for each of the Parties by the SLMPD. The ICR numbers used for the funding formula do not include citations.
G. "Later Party" means a Governmental Unit which enters into this Agreement at some time after the Committee is originally constituted.
H. "Operating Committee" means the chief administrative officer of each of the Parties.
I. "Party" means a Governmental Unit which enters into this Agreement.
J. "Pro Rata" means the remaining Parties split the departing Party's allocation percentage of the current operating budget as shown by the example below.

	Original Allocation %	Original Share of Budget
Departing City	25%	**$250,000**
Remaining City 1	50%	$500,000
Remaining City 2	15%	$150,000
Remaining City 3	10%	$100,000
TOTAL BUDGET	100%	**$1,000,000**

	Original Allocation %		New Allocation %		Departing City's Portion of Budget		Pro Rata Share of Departing City's Allocation		Original Share of Budget		New Share of Budget
Remaining City 1	50%	divided by 75% =	66.667%	x	$250,000	=	$166,667	+	$500,000	=	$666,667
Remaining City 2	15%	divided by 75% =	20.000%	x	$250,000	=	$50,000	+	$150,000	=	$200,000
Remaining City 3	10%	divided by 75% =	13.333%	x	$250,000	=	$33,333	+	$100,000	=	$133,333
	75%		100.000%				$250,000				$1,000,000

K. “SLMPD” means the “South Lake Minnetonka Police Department,” which shall be the name of the police force created hereunder.
L. “Supplemental Services” means any additional police services requested and paid by any of the Parties separate from the operating budget.
M. “Unanimous agreement of the Parties” means that the measure is approved by a majority vote of Council members present at the Council meetings of each of the Parties. If one or more of the Councils does not approve the measure on a majority vote, there is no unanimous agreement.

Section 3: Governing Body

Subdivision 1. The Committee, consisting of one Committee Member from each Party, shall be the governing body. Each Committee Member shall have an equal voice in the affairs of the Committee.

Subdivision 2. The person holding the office of mayor of a Party to this Agreement shall be a Committee Member and serve on the Committee as representative of said Party. An alternate Committee Member may be appointed by the Council of each Party from the members of said Council to serve for a term of one calendar year and represent said Party on the Committee in the absence of the mayor. The Committee Member and alternate shall serve without compensation from the Committee.

Subdivision 3. A majority of the Committee Members shall constitute a quorum at meetings of the Committee.

Subdivision 4. A vacancy on the Committee shall be filled by the Council of the Parties whose position on the Committee is vacant.

Subdivision 5. No Committee Member shall be eligible to vote on behalf of his / her Party during the time that such Party is in default on any financial payment required to be paid under the terms of the Agreement nor shall the vote of such Party be counted for the purposes of determining a quorum.

Section 4: Officers & Meetings

Subdivision 1. The chair and vice chair shall be determined on a rotating basis at the first meeting of each year. The chair shall facilitate meetings and execute all financial and legal instruments of the Committee. The vice chair shall assume all duties of the chair in the event the chair is unable to fulfill the duties of the position.

Subdivision 2. Regular meetings of the Committee shall be held once each quarter as follows: The second Wednesday of January, the second Wednesday of April, the second Wednesday of July, and the second Wednesday of October. Any regular meeting date may be rescheduled by unanimous agreement of Committee Members. The purpose of the regular meetings shall be to set budgets, review expenditures, and discuss / take action on other operating matters. Special meetings shall be at the call of any Committee Member. Notice of such a meeting shall be posted and provided by the SLMPD in accordance with state statutes.

Subdivision 3. Business of the Committee shall be conducted according to Roberts Rules of Order.

Section 5: Powers & Duties of the Committee

Subdivision 1. The powers and duties of the Committee shall include the powers set forth in this section.

Subdivision 2. It shall establish qualifications and duties for the position of Chief of Police of the SLMPD.

Subdivision 3. It shall hire said person to act as Chief of Police for the SLMPD at such salary and in accordance with such terms and conditions of employment as it shall determine. It also has the authority to discipline and terminate the Chief of Police.

Subdivision 4. It shall approve new positions (e.g. Deputy Chief, Drug Task Force Officer, etc.) by unanimous vote of the Committee.

Subdivision 5. It shall approve union contracts by unanimous vote of the Committee.

Subdivision 6. It shall provide office space, equipment, and supplies as necessary to accomplish the duties and responsibilities of law enforcement within the boundaries of the Parties.

Subdivision 7. It shall select a qualified accounting / auditing firm to prepare financial statements and conduct an annual financial audit. All of its books, reports, and records shall be available for and open to examination by the Parties at reasonable times.

Subdivision 8. It may accumulate reasonable reserve funds for the purposes as here in provided and it may invest funds of the Committee not currently needed for its operations in a manner and subject to the laws of Minnesota applicable to cities.

Subdivision 9. It may collect monies from Parties subject to this Agreement.

Subdivision 10. It may recommend changes in this Agreement to the Parties which shall be effective, however, only upon unanimous agreement of the governing bodies of all Parties.

Subdivision 11. It shall exercise general supervision over the law enforcement and standards of law enforcement for the Parties.

Subdivision 12. It shall annually approve a fee schedule for the SLMPD by unanimous vote of the Committee.

Section 6: Operating Committee

The powers and duties of the Operating Committee shall include the following:

A. Advising the Coordinating Committee.
B. Meeting with the Chief of Police once per month.
C. Participating in labor negotiations on a rotating basis.
D. Functioning as the personnel committee for complaints or issues regarding the Chief of Police.
E. Other duties and projects as assigned by the Coordinating Committee.

Section 7: Financial Matters

Subdivision 1. Except as otherwise provided herein, the Committee funds may be expended by the Committee in accordance with procedures established by law for the expenditure of funds by Minnesota cities. Orders, checks, and drafts shall be signed by two persons. Authorized signers shall be the Committee chair, Committee vice chair, Chief of Police, 2nd in command officer, and the SLMPD administrator.

Subdivision 2.

A. The allocation for funding the SLMPD operations, other than for any Party's Supplemental Services, shall be set taking into consideration the Party's tax capacity, ICR statistics, and population using the below allocation formula as shown on the attached Exhibit A.

AA = Arbitration Allocation for each Party:

Excelsior	27%
Greenwood	8%
Shorewood	50%
Tonka Bay	15%

C = Current 3-year average of Population, Tax Capacity, and ICRs for each Party with each factor weighted at $33^{1}/_{3}\%$.
Population source: Metropolitan Council.
Tax Capacity source: Hennepin County Adjusted Net Tax Capacity.
ICR source: SLMPD (does not include citations initiated by officers).

PR = Previous 3-year average of Population, Tax Capacity, and ICRs for each Party with each factor weighted at $33^{1}/_{3}\%$.

DI (Difference) = C – PR (Current minus Previous 3-year average for each Party)

NA = New Allocation.

Allocation Formula: NA = AA + DI

Note: The adjustments do not result in a shift to a formula based purely on population, tax capacity, and ICR statistics but are only used to adjust incrementally the Arbitration Allocation to the extent the three factors differ from the previously established data.

B. The operations funding percentages were last revised in July 2021 for 2022-26 budgets and shall continue to be reviewed and adjusted in three-year increments (next adjustment will occur in 2026 for 2027-29 budgets, etc.).

C. Each Party shall fund the SLMPD the full amount of the allocation pursuant to the terms of the JPA.

D. The approved annual operating budget for each year shall be determined in advance by Unanimous agreement of the Parties. If the Parties do not unanimously agree on the approved annual operating budget by September 1st of each year, the operating budget will remain the same as it was in the preceding year except for wage or benefit increases required by any union contracts. Each Party shall be entitled to full and complete SLMPD services funded by the SLMPD annual operating budget and preclude delivery of multiple tiers or levels of services to Parties.

E. Parties may contract with the SLMPD for Supplemental Services delivered by separately dedicated personnel outside of the approved budget by Unanimous agreement of the Parties. The amount charged for Supplemental Services shall be the actual hourly wage and overhead costs. Agreement to provide such Supplemental Services shall not be unreasonably withheld.

Section 8: Duration

This Agreement shall take effect August 1, 2023 and automatically renew every 20 years unless any Party submits written notification to the Coordinating Committee two years in advance.

Section 9: Adding Parties

Subdivision 1. Any other Governmental Unit may become a Later Party to this Agreement upon Unanimous agreement of the Parties to this Agreement.

Subdivision 2. Details regarding process, funding, additional personnel, building ownership, etc. will be recommended by the Committee and must be approved by Unanimous agreement of the Parties to this agreement.

Section 10: Withdrawal

Subdivision 1. Any Party may withdraw from this Agreement subject to the provisions below:

A. Written notice of withdrawal must be made by filing notice with the Committee by October 1 for withdrawal. Such withdrawal would be effective December 31 of the year following notice.

B. All capital equipment remains the property of the SLMPD.

C. A withdrawing Party shall not participate in budget approval for the calendar year in which its withdrawal commences.

D. A withdrawing Party shall continue to have an ownership interest in the building. The ownership interest shall not include a right of use or occupation but shall entitle the Party to its Pro Rata share of any revenue generated through the lease, sale, or other conveyance of the building. The Pro Rata share shall be commensurate with the percentage based on the most current Adjusted Net Tax Capacity for each of the Parties posted on the Hennepin County website.

Subdivision 2. In the event the corporate existence of a Party is terminated, or a Party is consolidated with another municipality not a Party to this Agreement, then the obligations of such Party hereunder shall cease as of the effective date of such termination or consolidation. If said effective date shall occur at a time other than the end of a budget year, the withdrawing Party's financial obligation for the budget year in progress at the time of said effective date shall be pro-rated for such budget year as of said effective date.

Subdivision 3. The withdrawal of a Party under this subdivision shall not automatically terminate this Agreement or the obligations of the remaining Parties. Following such a withdrawal, a revised version of this Agreement (with new funding allocations) shall be reviewed and have Unanimous Agreement of the remaining Parties before January 1 (15 months after written notice is received). In the event that the Parties fail to approve a revised version of this Agreement by January 1, the departing Party's allocation shall be split between the remaining Parties on a Pro Rata basis.

Section 11: Dissolution

Subdivision 1. This Agreement shall remain in full force and effect until all the remaining Parties have voted in favor of dissolution or the term of the Agreement has expired.

Subdivision 2. Cash assets and proceeds from non-cash assets held by the Committee at the time of dissolution to this Agreement shall be divided and distributed to the Parties in proportion to the contributions made by the Parties to the total cost of law enforcement during the period of this Agreement. If the Parties cannot agree with respect to the value of non-cash assets, two appraisers will be selected by the Committee to appraise the non-cash assets. The two appraisers so selected will select a third appraiser. The values as determined by a majority of the appraisers shall be attributed to the non-cash assets in question. Cost of appraisers shall be paid by the Parties using the funding formula at the time of the dissolution.

Section 12: Officers & Employees

Subdivision 1. The Chief of Police employed by the Committee shall serve as Chief of the SLMPD and shall have the following duties and be invested with the following authority:

A. Shall be in full and complete charge of all personnel matters and employees of the department including sworn and non-sworn.
B. Shall set standards of performance of police officers and non-sworn employees.
C. Shall be in complete charge of all matters relating to law enforcement and to its administration, including assignment of duty and responsibilities to all employees.
D. Shall interview and consider applications for employment of all employees and shall make all hiring and termination decisions.
E. Shall discipline all employees, sworn, and non-sworn.
F. Shall be responsible for all labor grievance matters. Such actions shall be in accordance with the laws of the State of Minnesota and outstanding contractual agreements governing the same.
G. Shall be allowed to make unbudgeted purchases up to $20,000 without Coordinating Committee approval.

Subdivision 2. The Chief of Police shall be responsible for developing new job descriptions for various positions within the department deemed necessary for the efficient operation of the department.

Subdivision 3. It shall be the duty and responsibility of the Chief of Police to communicate directly with the respective Councils of the Parties in the event the Chief of Police deems it necessary to receive direction on any matter arising out of or involving the jurisdiction of any particular Council.

Subdivision 4. All police officers, including the Chief of Police, shall enforce and be provided authority to enforce the laws of the Parties to this Agreement through proper action of the Council of said Parties. The Committee shall assume all obligations with regard to Worker's Compensation, PERA, withholding tax, insurance, union negotiations, fringe benefits, Social Security, and the like for all employees including the Chief of Police, all police officers, community service officers, and administrative staff.

Section 13: Prosecution – Violation of Ordinances & Laws

The respective Parties to this Agreement shall be responsible for and pay the cost of all prosecutions for violations occurring within their respective boundaries which are subject to prosecution by a Party's municipal attorney, including expenses incurred by reason of police officers making their services available for court appearances in such prosecutions. All returns of fines from district court shall be the sole property of the Party in whose jurisdiction the offense occurred.

Section 14: Dispute Resolution

When any Party has a dispute regarding the Agreement, that Party may initiate a dispute resolution process by submitting a written statement outlining the dispute to the Committee at one of its regularly scheduled meetings. The members of the Committee will then bring that dispute to their respective Councils. The Committee will meet to discuss the dispute within 120 days after the submission of the written statement, and the Committee has a 90-day period to resolve the dispute commencing with this meeting.

If the dispute is not resolved within the 90-day period, the aggrieved Party has the right to demand that the Committee forward the dispute to mediation. The costs of the mediator will be paid for by the aggrieved Party unless decided otherwise by majority consent of the Committee.

If the mediation process does not bring consensus regarding resolution of the disputed issue, the aggrieved Party may submit the issue to binding arbitration 90 days following the commencement of mediation. This date may be extended with unanimous consent of the Committee. The aggrieved Party's right to submit the dispute to arbitration expires 150 days after the commencement of mediation. This expiration deadline can be extended with unanimous consent of the Committee. The Parties shall share the cost of the arbitration process in the same proportion as they are sharing the operating budget at the time the dispute resolution process is initiated. Each Party shall bear the costs of its own representation in the mediation and arbitration processes. The arbitrator or arbitration panel shall be selected by mutual agreement of the Parties and shall have the authority to order that any Party bringing a frivolous or unfounded dispute be required to pay the costs of the arbitration process. The provisions of Minn. Stat. § 549 .211 shall be used to determine whether a dispute is frivolous or unfounded. In the event that the Parties cannot agree on an arbitrator or arbitration panel within 30 days of the date on which the aggrieved Party initiates arbitration, the aggrieved Party shall select one arbitrator, the other Parties shall select another, and the two selected arbitrators shall select a third.

Repeal of Memorandum of Understanding

The Memorandum of Understanding dated February 13, 2002 is hereby repealed.

The Cities of Excelsior, Greenwood, Shorewood, and Tonka Bay have caused this Agreement to be executed in their behalf by their proper officers duly authorized by resolution of their respective City Councils.

BY THE CITY OF EXCELSIOR

T R Carlson 10/11/23

Todd R. Carlson, Mayor — Date

BY THE CITY OF GREENWOOD

Debra J Kind 09.26.23

Debra J. Kind, Mayor — Date

BY THE CITY OF SHOREWOOD

Jennifer Labadie 10/11/23

Jennifer Labadie, Mayor — Date

BY THE CITY OF TONKA BAY

Adam J 10/11/23

Adam Jennings, Mayor — Date

Exhibit A

Referenced in Section 7

ALLOCATION FORMULA FOR SLMPD OPERATING FUND

No changes will be made to the 2022-2026 allocation. In 2026, the below formula will be adjusted for 2027-2029 budgets using the most current 3-year data for poplulation, tax capacity, and incident call reports on the right side of the spreadsheet and the immediately preceding 3-year data on the left side of the spreadsheet.

This formula is used to reset the allocation every 3 years.

POPULATION - PREVIOUS

	2014	2015	2016	Average	% of Avg. Total
Excelsior	2,273	2,262	2,225	2,253	18.8890%
Greenwood	689	702	703	698	5.8511%
Shorewood	7,425	7,458	7,496	7,460	62.5321%
Tonka Bay	1,488	1,509	1,558	1,518	12.7277%
	11,875	11,931	11,982	11,929	99.9999%

POPULATION - CURRENT

2017	2018	2019	Average	% of Avg. Total
2,352	2,321	2,566	2,413	19.3924%
724	706	708	713	5.7275%
7,708	7,693	7,934	7,778	62.5117%
1,526	1,550	1,541	1,539	12.3684%
12,310	12,270	12,749	12,443	100.0000%

TAX CAPACITY - PREVIOUS

	2015	2016	2017	Average	% of Avg. Total
Excelsior	4,226,789	4,638,729	4,973,275	4,612,931	14.9618%
Greenwood	3,241,439	3,387,471	3,749,653	3,459,521	11.2207%
Shorewood	16,027,049	16,798,414	17,582,141	16,802,535	54.4980%
Tonka Bay	5,796,033	5,882,972	6,190,423	5,956,476	19.3195%
	29,293,325	30,709,602	32,497,509	30,831,463	100.0000%

TAX CAPACITY - CURRENT

2018	2019	2020	Average	% of Avg. Total
5,436,784	5,774,617	6,235,205	5,815,535	16.1158%
3,960,542	4,090,777	4,444,257	4,165,192	11.5424%
18,738,484	19,376,580	20,198,532	19,437,865	53.8655%
6,590,064	6,681,790	6,730,124	6,667,326	18.4763%
34,727,892	35,925,783	37,610,138	36,085,919	100.0000%

INCIDENT CALL REPORTS - PREVIOUS

	2015	2016	2017	Average	% of Avg. Total
Excelsior	2,354	2,398	2,129	2,294	36.8106%
Greenwood	401	376	352	376	6.0397%
Shorewood	3,175	2,796	2,697	2,889	46.3703%
Tonka Bay	861	577	577	672	10.7794%
	6,791	6,147	5,755	6,231	100.0000%

INCIDENT CALL REPORTS - CURRENT

2018	2019	2020	Average	% of Avg. Total
1,819	1,872	1,700	1,797	33.9612%
319	383	387	363	6.8603%
2,714	2,621	2,516	2,617	49.4582%
525	551	467	514	9.7203%
5,377	5,427	5,070	5,291	100.0000%

	1/3 Pop	1/3 Tax Cap	1/3 ICRs	Previous 3yr Average Totals
Excelsior	6.2963%	4.9873%	12.2702%	23.5538%
Greenwood	1.9504%	3.7402%	2.0132%	7.7038%
Shorewood	20.8440%	18.1660%	15.4568%	54.4667%
Tonka Bay	4.2426%	6.4398%	3.5931%	14.2755%
TOTAL	33.3333%	33.3333%	33.3333%	99.9999%

1/3 Pop	1/3 Tax Cap	1/3 ICRs	Current 3yr Average Totals	Difference (Current – Previous)	Arbitration Allocation	New Allocation (Arbitration Allocation + Difference)
6.4641%	5.3719%	11.3204%	23.1564%	-0.3973%	27.0000%	26.6027%
1.9092%	3.8475%	2.2868%	8.0434%	0.3396%	8.0000%	8.3396%
20.8372%	17.9551%	16.4861%	55.2784%	0.8117%	50.0000%	50.8117%
4.1228%	6.1588%	3.2401%	13.5217%	-0.7539%	15.0000%	14.2461%
33.3333%	33.3333%	33.3333%	99.9999%		100.0000%	100.0000%

Tax Capacity Source: Hennepin County 'Adjusted Net Tax Capacity'
ICR Source: SLMPD (does not include citations)
Population Source: Met Council

Updated 08.01.23