

INTERCOMMUNITY SERVICE AGREEMENT FACT SHEET

LOCAL PLANNING HANDBOOK

INTERCOMMUNITY SERVICE AGREEMENTS

An intercommunity service agreement is a contractual or cooperative arrangement between two or more governmental units that supplies a means for combining resources to provide services for all parties involved. These agreements may cover a variety of services, including but not limited to wastewater conveyance, drinking water supply, snow plowing, garbage collection, and emergency services.

Intercommunity service agreements can decrease costs, increase staff efficiencies, and allow for better utilization of resources. By acting jointly, the parties may be able to access newer technologies and equipment that they would be unable to afford on their own.

WHAT ARE THE COMPONENTS?

Per Minnesota Statutes 471.59, regardless of the type, the agreement must state its purpose and how the purpose will be accomplished. When applicable, it must also address any property transfers associated with the agreement and the return of surplus funds after fulfillment of the agreement. These funds would be proportional to the contributions of each governmental unit. The agreement will typically include these additional items:

- Disbursements from public funds to carry out the purposes of the agreement, including a strict accountability of all funds and report of all receipts and disbursements;
- The term of the agreement, and/or the conditions for terminating the agreement; and
- Liabilities and the allocation of risk.

The agreement must be formally acted upon by each governing party before it is effective.

WHAT ARE SANITARY SEWER AGREEMENTS?

There are many areas within the Twin Cities region where one community's sanitary sewer infrastructure is used to provide wastewater service to an adjacent community. It is important that the Met Council receives a copy of any agreement pertaining to sanitary sewer service to ensure that any changes to wastewater flow allocations are accounted for by the communities or are included in the Met Council's flow allocation process.

Sanitary sewer agreements must also address the financial responsibilities of each community, including a reimbursement method for the municipal wastewater charges associated with receiving flow from the adjacent community.

WHEN SHOULD THEY BE UPDATED?

Types of services and service areas can change, prompting the need for an updated agreement. Parties to the agreement need to consult one another when these changes occur unless the change has already been addressed by the agreement. A copy of the agreement should be provided to the Met Council any time it is updated.

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WHAT IS THEIR ROLE IN COMPREHENSIVE PLANNING?

Communities are required to provide copies of the agreements as part of the comprehensive plan update process. New agreements do not require an amendment to the comprehensive plan unless it is to accommodate the development of new land areas not covered in the plan. However, the Met Council requests that communities provide a copy of new or revised agreements when they are executed. the comprehensive plan update process.

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