**Minneapolis**
*City of Lakes*

**Office of Emergency Management**

Barret W.S. Lane, J.D.
Director

Emergency Operations Training Facility

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September 17, 2013

Mr. Rick Larkin
Director
Department of Emergency Management
City of St. Paul
367 Grove Street, Fifth Floor
St. Paul, MN 55101

RE: MMRS "Sustainment Money"
Contract No. 282-99-0021
Contract No. 233-03-0084

Dear Mr. Larkin:

Please find enclosed the following:

1. Check 168591 in the amount of $405,000.00 made payable to the City of St. Paul;
2. Summary of Fixed Price MMRS Contracts;
3. Deliverable #2 dated March 11, 2004;
4. Cover letter dated June 28, 1999 and Contract 282-99-0021; and
5. Cover letter dated August 26, 2003 and Contract 233-03-0084.

Pursuant to our recent discussions, we have investigated the source of the "sustainment money" and I have been advised by legal and finance staff as to the disposition of this money.

This money is related to two Metropolitan Medical Response System (MMRS) contracts, one from 1999 (No. 282-99-0021) and one from 2003 (No. 233-03-0084). The 1999 contract was for the amount of $1.2 million of which $954,759.20 was spent through 2007, leaving a $245,240.80 balance. The 2003 contract was originally in the amount of $560,000 of which $9,199.60 was spent by Minneapolis through 2007 leaving a $550,800.40 balance. These were fixed price contracts for specific deliverables. It appears that the deliverables were completed resulting in money that was set aside for "sustainment" in the amount of $796,041.20.

Our analysis of the underlying contracts (see attached spreadsheet "Summary of Fixed Price MMRS Contracts") confirms that the City of St.

Paul should receive $405,000.00. Therefore, I have enclosed a check for that amount. If you have any questions about the spreadsheet or the calculations leading to this result, please contact the City Controller Connie Griffith at (612) 673-3138.

The City of Minneapolis considers this payment to signify the full termination of all contracts and agreements regarding the MMRS including but not limited to any fiscal agency with the exception of the current grant contract (FY 2011). The City of Minneapolis' MMRS obligations to the City of St. Paul with respect to FY 2011 will continue until this grant is closed out and then will terminate.

This division of resources is in line with the position stated in your June 25, 2013 e-mail message, so I will assume that this resolution is acceptable to you and the City of St. Paul.

The City of Minneapolis intends to use its portion of the remaining money for sustainment of existing MMRS initiatives. Specifically, we plan to support the following projects until the money is exhausted, the projects are complete or otherwise moot, or five calendar years, whichever comes first:

- Responder Dispense Website and Online Screening Tool, hosting, operation and maintenance;

- MCI Bus Operation and Maintenance (MFD and Airport); and

- Minneapolis-Hosted Regional Shelter Cache Equipment, Operation and Maintenance and Rent starting Q3, 2015.

The ongoing costs related to portal monitors and the pharmaceutical cache are assumed to be borne in the future by the organizations who have accepted those assets.

Minneapolis reserves the right to use its money not otherwise committed to the above projects in any way otherwise allowable for the stated purposes.

The City of Minneapolis does not wish to prescribe how the City of St. Paul uses this money and does not undertake to monitor or evaluate its eventual use, if any. However, we recommend that any investment of this money be made in light of the stated purpose of MMRS in the attached documents and that the money be used only for the described MMRS mission and deliverables.

As you know, the MMRS grant money has been divided between St. Paul and Minneapolis for some time. Pursuant to the above analysis, the sustainment money is also divided and each City will maintain separate chains of accountability for its investment. Therefore, as a practical matter, the need for a joint undertaking in the MMRS area will come to an end once the current FY 2011 grant is closed out in early 2014. Therefore, the City of Minneapolis will end its participation in the Minneapolis/St. Paul MMRS once the FY 2011 grant is closed.

It may be that there remains work that can be done in this area. If so, the City of Minneapolis stands ready to work with the City of St. Paul in the future on a project-by-project basis to achieve MMRS goals. In addition, we are open to discussions on how a new format for MMRS as a regional body may be created or whether these functions can be folded into the new health coalition that is being formed.

I look forward to a renewed and continued working relationship as we continue to support the aims of the MMRS.

Best regards,

Barret W.S. Lane

Encl.

BWSL/slf

Cc w/o encl.: Kristi Rollwagen
Robert Einwick
Kris Eide
Jill Hughes
Connie Griffith

Cc w/encl. Terri Spencer
Randy Hager

**Summary of Fixed Price MMRS Contracts**
**As of August 31, 2013**

| Contract Description | Contract # | Start Date | End Date | Amount | Expended | Balance |
|---|---|---|---|---|---|---|
| MMRS 1999 * | 282-99-0021 | 6/30/1999 | 1/31/2002 | 1,200,000.00 | 954,759.20 | 245,240.80 |

* Contract was modified twice, once to add funds and the second to extend the time of performance

| | |
|---|---|
| Add back December 2007 Convention Center training expense | 5,050.36 |
| Adjusted remaining balance | 250,291.16 |

St Paul to receive half of remaining adjusted balance rounded to nearest thousand ($125,000)

| | | | | | | |
|---|---|---|---|---|---|---|
| MMRS 2003 | 233-03-0084 | 9/30/2003 | 9/29/2004 | 560,000.00 | 9,199.60 | 550,800.40 |

St Paul to receive half of $560,000 ($280,000) for sustainment purposes.
Minneapolis is covering the 2004-2007 Conference and Travel Expense of $9,199.60 from their half of the Sustainment Contract

| Allocated Balances | MMRS 1999 | MMRS 2003 | Total |
|---|---|---|---|
| St Paul Share | 125,000.00 | 280,000.00 | 405,000.00 |
| Minneapolis Share | 120,240.80 | 270,800.40 | 391,041.20 |
| | 245,240.80 | 550,800.40 | 796,041.20 |