



**JOINT BOARD MEETING
ESTACADA RURAL FIRE DISTRICT NO. 69
CLACKAMAS FIRE DISTRICT #1
Clackamas Fire District #1 Training Center
Monday, July 8, 2019**



CLACKAMAS 111U D(61RICT #1

1. CALL TO ORDER PER ORS 192.610 TO 192.710

ORS 192.650 - The meeting is being recorded.

CFD #1 Board President Syring called the meeting to order at 6:00 pm.

CFD #1 Board President Syring thanked everyone for attending the meeting.

Present:

Clackamas Fire District #1 (CFD #1): Directors Jay Cross, Thomas Joseph, Jim Syring, Don Trotter, Marilyn Wall; Fire Chief Fred Charlton; Deputy Chief Ryan Hari; Division Chief Bill Conway; Division Chief Mike Corless; Division Chief Josh Gehrke; Battalion Chief Steve Deters; Battalion Chief Josh Santos; Battalion Chief John Hopkins; Battalion Chief Jason Ellison; Battalion Chief Jonathan Scheirman; Battalion Chief Tony Cordie; Battalion Chief Nick Browne; Fire Marshal Shawn Olson; Fleet Director Bill Bischoff; Accounting Manager Anh Le; Public Information Officer Brandon Paxton; Data Systems Director Shelby Hopkins; Firefighter Dale Clarke; International Association of Firefighters Local 1159 President Karl Koenig; Volunteer Jerry Kearny; Volunteer Association President Ryan Kragero; Citizen Verity Sturdavant; and Executive Assistant Karen Strejc.

Estacada Rural Fire District No. 69 (EFD #69): Directors Ken Oliver, John McAdoo, Ed Thoreson, Matthew Silva; Interim Fire Chief Richard Beaudoin; Staff Lieutenant Ron Schmitt; Citizens: Amanda Schmitt, David Espinosa and Sylvia Espinosa; Administrative Assistant Melissa Liesegang, and Administrative Manager Rodonna Demeter.

John Stouffer, Western Regional Manager, with ESCI.

2. Discussion of the Cooperative Services Feasibility Study

CFD #1 Board President Syring opened up the discussion of the Cooperative Services Feasibility Study. He thanked District and ESCI Staff for the time spent compiling the study.

CFD #1 Board President Syring turned the meeting over to Chief Charlton.

Chief Charlton thanked all for attending to receive the Cooperative Services Feasibility Study from ESCI. He explained that this process started about five months ago, through a request for proposal process where both Districts entered into a contact with ESCI. The intent for the scope of work was to look at where both Agencies were currently, as well as opportunities moving forward. The options would be remaining autonomous, enhancing the current Intergovernmental Agreement (IGA), having a contract for service, or legal integration.

Chief Charlton shared that there were some minor discrepancies found in the document. He explained that CFD #1 has had operational movement since the study began. He also added that when John presented the financial overview, CFD #1, Finance Director Day, would provide updated information for the last fiscal year and this fiscal year.

Chief Beaudoin thanked all for attending . He also thanked CFD #1 for hosting and those who worked on the study.

John Stouffer shared his appreciation for the opportunity to do the study. He commended staff from both agencies for the time and effort they gave him.

John asked that people write down questions that come up or ask questions along the way. John explained that the report had four sections:

- Section 1: Overview of the communities
- Section 2: Evaluation of current conditions
- Section 3: Future opportunities
- Section 4: Appendices

John answered the question, "Why consider integration?" He explained that the primary reason to integrate was to improve quality, efficiency and effectiveness of providing fire protection, EMS and other emergency services and programs to the communities.

John showed a map of the Clackamas-Estacada study area.

John reviewed the Service-Delivery & Performance data for 2014-2018. With CFD #1 and EFD #69 combined, there was an overall increase of 13% since 2014.

John shared the Incident Density maps for both EFD #69 and CFD #1.

John showed a map that had projected eight-minute travel times from all stations.

John shared the Financial Analysis. He noted that these numbers had changed. CFD #1 Finance Director Day shared that she had estimated where CFD #1 would be at the end of this fiscal year. The number for 2019 was still negative, but was now \$512,000. She explained that CFD #1 had cut a lot of spending this year.

John added that these were regular re-occurring revenues; it did not take into account non-re-occurring revenues. The numbers did not change for EFD #69.

John explained that for property tax levy rates, the mill rate was almost the same between the two agencies.

John explained future opportunities and the options the Districts have:

- Option A -1- Maintain Status Quo
 - Continuing the current IGA. It was the easiest to accomplish, as it was what was happening now.
- Option A-2 – Status Quo with an Amended IGA
 - If EFD #69 did not fill the Fire Chief position, there would be \$141,644 that could go towards the cost of the IGA.
 - It would essentially be a contract for services.
- Option B - Legal Integration
 - There were three forms of legal integration:
 - Merger
 - Consolidation
 - Annexation

- o Option B-1 - Merger
 - One fire district would cease to exist (merging agency) and the other becomes the surviving district (merger agency). In this situation, they would assume that CFD #1 would be the surviving district.
 - All employees from EFD #69 would come over to CFD #1.
 - Requires both Boards approval and approval by voters.

- o Option B-2 - Consolidation
 - Both Districts cease to exist and a new district is developed. New policies and documents would be required. It would require much administrative and legal work.
 - All employees and volunteers from both districts would become members of the new district. A newly elected Board would replace the existing officials of both districts.
 - Requires approval by the voters.

- o Option B-3 - Annexation
 - Typically done in a city/fire district relationship where either the city annexes unincorporated adjacent areas within a fire district or a city has asked voters to approve annexation into a fire district.
 - With this situation, one district would dissolve. Immediately following, the surviving district would take action to annex the area of the dissolved district.

- Option C - Contract for Service
 - o Most recent example of this for CFD #1 would be in 2014 with Boring Fire District #59, which led to an annexation in November 2016. This annexation led to an integration of services.
 - o Considerations include enhance service-delivery to both districts, cost-savings, integration and efficiencies.
 - o Chief Charlton explained more about the contract for service option.
 - o Chief Charlton shared that their recommendation would delegate work to staff and the Interagency Committee to develop the framework and bring the proposal before both Boards.
 - o Chief Charlton noted the things to notice around the cost analysis was personnel, materials/services, capital, assessed value, growth projections (how the districts are going to grow in the future), urban renewal, replacement plans (ex: apparatus, facilities, equipment, etc.) and standardization.

John shared that ESCI's recommendation was Option B-1, a fire district merger. He added that the logical course would be for CFD #1 to assume the role of merger agency, and EFD #69 the merging agency. John explained that all EFD #69 employees and volunteers would transfer to CFD #1. He shared that they thought this was the most viable option from an operational, organizational and administrative perspective.

John shared that this did not take into account the long-term financial sustainability.

CFD #1 Director Trotter asked about why they chose a merger over annexation. John stated that annexation is a much more complex process. He added that a merger is the simplest, cleanest and easiest process.

John explained that the primary benefactors would be EFD #69 along with the residents and visitors of the communities it served in the merger.

John shared that service and resources available from CFD #1 would result in:

- Improved administrative and operational coordination.
- Enhanced support and program delivery.
- Enhanced emergency operations.
- Wider range of career opportunities for Estacada employees.

John also shared that they believe there would be benefits for CFD #1 as well in the following ways:

- Experience has demonstrated that apparatus and personnel deployed from Estacada could more quickly access the service areas of CFD #1 Stations 12, 18, and 20 than Station 14.
- A fully staffed Estacada station would benefit the residents of Eagle Creek, Logan, Clarkes-Highland and other communities near those fire stations.

John shared the operational structure/model for a potential merger.

- EFD #69 Station 330 and Station 333 would change to Station 22 and Station 23.
- Approximately the same number of career staff within the Battalions.

John showed what the boundaries of a merged district would look like.

John shared operational staffing changes at Estacada. He explained that ESCI recommended the considerations below:

- A four-person, career staffed Engine Company 24 hours daily, supplemented with volunteers.
- Consider assigning at least one current Estacada firefighter or officer to each shift.
- Ensure a minimum of one Paramedic assigned to each shift.
- Alternatively, staffing could increase to 24 hours at Station 18.
- Alternatively, a five-person career staffed station, with three personnel assigned to an Engine Company.
 - Two personnel (at least one being a paramedic) assigned to either Type 5/6 wildland unit or transport-capable rescue unit. (Not to be used as a routine transport unit).
- Consider assigning a water-rescue boat on a seasonal basis.

John shared information about EFD's #69 Career and Volunteer staff.

Career:

- Currently, EFD #69 employed ten uniformed and two non-uniformed staff.
- Assume they would not fill the current Fire Chief position.
- All employees transition to CFD #1 without loss of benefits and wages.
- There would be challenges when deciding fair and equitable job assignments, ranks, wages and benefits.

Volunteers fill two primary roles:

- Operational support (Ex: tender drivers and rehab assistance).
- Firefighters providing emergency services in an operational role.
- They serve a valuable role within the fire district and the community.
- ESCI recommends they be absorbed into CFD #1's program.

John explained the other impacts of a merger:

ISO PPC Score

- ESCI did not think there would be an impact, but they could not make this prediction.
- Multiple variables affect the Public Protection Classification score.
- Leadership would need to meet with a local ISO representative.

Planning and Implementation

- ESCI did not go into a lot of detail in the main report, due to CFD #1 going through this before. This information was available in Appendix A.
- Consider using *Special Districts Association of Oregon (SDAO) Consulting Services Program* to help with planning and implementing. The first eight hours were free for members.

John showed the combined CFD #1/EFD #69 Expenditure Forecast table.

John provided the potential cost increase if EFD #69 positions paid the amount equivalent to CFD #1. He added that one way to offset these cost increases would be not filling the Fire Chief position.

John gave a brief summary of the options. He shared that ESCI believed that a merger of the two districts would result in a more effective, efficient and higher level of service within both EFD #69 and CFD #1.

However, ESCI expressed concern for the long-term financial sustainability of an integrated fire district absent additional revenue or reduction of expenses. If this could not be addressed, the fire district may need to consider the other options presented in this study.

CFD #1 Board President Syring shared that when CFD #1 did an annexation with Boring Fire District, taxes were two cents lower. He mentioned that with a merger, voters only have to vote once instead of with an annexation, they have to vote twice. One vote to dissolve and one to join CFD #1. EFD #69 taxpayers would be paying a little less by doing an annexation. CFD #1 had done half mergers and half annexations. President Syring shared that the bonded debt will not automatically roll over.

John noted that in the report, they suggested administrative consolidation, moving all the Administrative jobs into CFD #1. He explained that sometimes, this was broken out into a functional consolidation (combine training, prevention, etc.), and then there was operational consolidation. He shared that ESCI recommended the administrative and operational consolidation, starting out with Administrative consolidation first. He stated if we could do that for the next year or so and in the meantime bring in legal counsel to begin the planning process. The November 2020 general election ballot would be the best time to put it on the ballot.

John shared it was best for EFD #69 to consolidate in some way, and good for CFD #1, too.

CFD #1 Board President Syring noted that based on past experience, he would suggest having staff and Boards develop a contract for service first, and then move on from there. John shared that Status Quo with an enhanced IGA is the same as contract for service.

CFD #1 Director Trotter shared that his main concern was that he had not heard how any of the options would help with financial sustainability. He asked how to obtain this. John said that it was up to the Board and staff to decide. John stated that more revenue and fewer expenses

would make it look a lot better. If there were ways to save money for both Districts, it needed to be determined by both districts.

CFD #1 Board President Syring noted using a contract for services to see how well it would be to work together. It would give a fuller picture of how to be sustainable.

John explained that the districts would need multiple committees (finance, labor, etc.) to look at all issues and possibly do a long term contract for service before considering legal integration.

CFD #1 Director Trotter asked about a merger or annexation and tax rate. He noted that if this was something that the community had to vote on, citizens would want to know the impact to them financially and what they would get out of it. He asked if the tax rate would be going up or down for both the citizens in EFD #69 and CFD #1. John said it would be relatively tax neutral. Estacada's would go down slightly and would go with the lower tax rate, which is CFD #1. He added that the Districts would not be going to the voters asking for more money.

CFD #1 Director Joseph asked if ESCI looked at how each district could improve services or finances if they remained on their own, independently; or if they only focused on the benefits of the two agencies coming together. John shared that their scope was to look at the options for cooperative services. He added that there were things such as how each district could improve that was scattered throughout the report, but that was not their mission.

CFD #1 Board President Syring mentioned that he has been through all ten combinations for CFD #1 over the last 30 years. He shared that it did not always pencil out financially, but these went through and they all worked out and made sense in the end.

John brought up the importance of recognizing and preserving the history and culture of EFD #69 if the districts merge.

CFD #1 Board President Syring asked if Chief Charlton if he needed anything from the Board. He asked if he needed a concurrence of the Boards to move forward if they chose to tonight. He also asked about both districts putting a contract of service together. Chief Charlton shared that they could have this discussion if the Boards wanted to start delegating this task to staff. He also explained that they could use the Interagency Committee to work on this. Chief Charlton also noted that they could choose not to do anything tonight.

EFD #69 Director Silva shared that he thought it was important that each Board go back and discuss what would be best. He suggested setting an additional meeting in the future to decide.

CFD #1 Director Cross agreed with Director Silva. He also suggested having the Interagency Committee meet before the Boards have another meeting.

John added that ESCI was available to help as much as they can. They could answer questions, give suggestions, and clarify information in the reports.

CFD #1 Director Trotter shared that Appendix A showed committees and studies to see what the best way to go was.

CFD #1 Board President Syring shared that the Interagency Committee would meet within the next few weeks to work on this.

3. PUBLIC COMMENT

CFD #1 Board President Syring called for statements from citizens regarding the district business or anything that they discussed at the meeting, including any questions.

If anyone asked a question, he asked folks to please fill out form and submit it at end of meeting after speaking, so it can be on record. The only requirement was to state their name and address.

Karl Koenig
12233 SE Wagener Street
Happy Valley, OR 97086

Karl brought up the two regional service providers. He mentioned that CFD #1 was familiar with this process, while EFD #69 was not. He stated that the employees of both Districts know that both employers treat their employees fair, pay employees a living wage, were respectful of their volunteer force, and take care of their employees top to bottom. He shared that as a representative of the firefighters of Clackamas County, this study and merger made sense. He shared that it came down to service. He shared that by looking at response performance and times, serving the community with the right amount of people was very important. He added that it could bring better service to a community, and that was good government. He mentioned volunteers and career firefighters working together to get responses done. He noted that this would be one way to take regionalism to the next level.

4. MISCELLANEOUS

None.

EFD #69 Director Silva thanked CFD #1 for hosting the meeting.

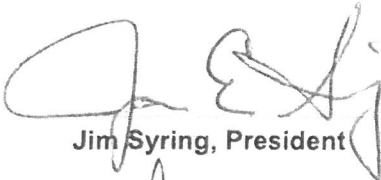
President Syring thanked everyone again for coming and for the efforts put into this.

5. ADJOURNMENT

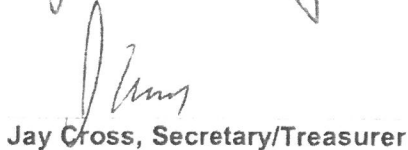
The meeting adjourned at 7:09 pm.

Karen Strejc
Executive Assistant

Clackamas Fire District #1

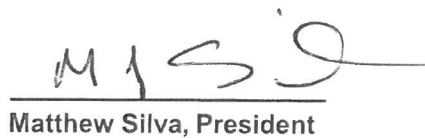


Jim Syring, President



Jay Cross, Secretary/Treasurer

Estacada Rural Fire District No. 69



Matthew Silva, President



John McAdoo, Secretary/Treasurer