

# Council Business Meeting

December 7, 2021

<b>Agenda Item</b>	Fire Department Consolidation Study	
<b>From</b>	Gary Milliman	City Manager Pro Tem
<b>Contact</b>	Gary.milliman@ashland.or.us	

## **SUMMARY**

Intergovernmental agreement with Portland State University, Center for Public Service, to study the feasibility of consolidating Ashland Fire and Rescue with Jackson County Fire District #5.

## **POLICIES, PLANS & GOALS SUPPORTED**

Reduce the cost of services while maintaining quality services for the community.

## **PREVIOUS COUNCIL ACTION**

The City Council has discussed possible consolidation of Ashland Fire and Rescue with Jackson County Fire District #5 at two of its Long-Range Financial Planning Workshops.

## **BACKGROUND AND ADDITIONAL INFORMATION**

The City Council heard a presentation by the Jackson County Fire District #5 Fire Chief and had a subsequent discussion with the Ashland Fire and Rescue Chief concerning options for consolidation of services. The City Manager Pro Tem solicited a proposal from Portland State University, Center for Public Service, to conduct a consolidation feasibility study. PSU/CPS has performed similar studies in the past.

In this environment of limited resources, the biennial budget for Fire & Rescue services has increased from \$13 million in 2013-15 to \$19 million in 2019-21, an inflation-adjusted increase of 34 per cent. PERS costs alone increased by 73 per cent in that time period. At the same time, the City is concerned about a possible reduction in the City's ISO rating. Additional staffing has been proposed, and there is discussion concerning whether the City should continue to provide ambulance service. Jackson County Fire District #5 serves an unincorporated population roughly the same size as Ashland's population, and the District essentially surrounds the City.

Other cities in Oregon have pursued a variety of strategies to achieve cost savings and efficiencies in fire service, including sharing personnel, contracts for service, consolidation of districts and departments, and annexation to a district. This study will explore these kinds of alternatives with the goal of identifying the benefits, costs, advantages and disadvantages to the jurisdictions and taxpayers.

Portland State University can perform this study utilizing a combination of academic staff, practitioners, and students through an intergovernmental agreement. No RFQ is required.

## **FISCAL IMPACTS**

The fee for performing the study will be \$37,491.

## **STAFF RECOMMENDATION**

Staff recommends entering an intergovernmental agreement with Portland State University, Center for Public Service, to perform a Fire and EMS service consolidation study for the City of Ashland and Jackson County Fire District #5 at a cost not to exceed \$38,000.

## **ACTIONS, OPTIONS & POTENTIAL MOTIONS**

Motion to authorize the Mayor to execute an intergovernmental agreement with Portland State University, Center for Public Service, to perform a Fire and EMS service consolidation study for the City of Ashland and Jackson County Fire District #5 at a cost not to exceed \$38,000.

**REFERENCES & ATTACHMENTS**

1. Proposal from Portland State University
2. Map of Jackson County Fire Districts

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## M E M O R A N D U M

TO: Gary Milliman, Interim City Manager, City of Ashland  
FROM: Scott Lazenby, Local Government Program Manager, CPS  
DATE: September 17, 2021  
SUBJECT: FIRE & EMS STUDY

The Center for Public Service is pleased to submit this proposal for consulting and analysis of options for Fire/EMS service provision and governance.

Purpose: While the City of Ashland does have a limited sales tax, in other respects Ashland's revenues, like those of other Oregon cities, are constrained by state-imposed preemptions and limitations. In this environment of limited resources, the biennial budget for Fire & Rescue services has increased from \$13 million in 2013-15 to \$19 million in 2019-21, an inflation-adjusted increase of 34%. PERS costs alone increased by 73% in that time period. At the same time, the city is concerned about a possible reduction in the city's ISO rating.

The adjacent Jackson County Fire District #5 serves an unincorporated population roughly the same size as Ashland's population. Other cities in Oregon have pursued a variety of strategies to achieve cost savings and efficiencies in fire service, including sharing personnel, contracts for service, consolidation of districts and departments, and annexation to a district.

This study will explore these kinds of alternatives with the goal of identifying the benefits, costs, advantages and disadvantages to the jurisdictions and taxpayers.

Proposed Approach: In performing this study, the Center for Public Services will collect and analyze the following kinds of information:

- Financial information, including budgeted and actual revenue and expense trends.
- Staffing and personnel, including pay and classification schedules, collective bargaining agreements, and use of volunteers.
- Service quantity and quality, including calls for service by type, the range of services provided, and work that may not be reflected in calls for service such as CERT training, commercial building inspections, plans review, etc.
- Federal, state, and local legal issues that affect possible changes in organization or governance.

As a unit of the Hatfield School of Government, CPS is sensitive to the fact that public policy decisions are not always driven by strict benefit/cost analysis but are also influenced by a range of qualitative factors, including community values, local politics and history, and human resistance to change. The study will acknowledge these issues, where they can be identified and articulated.

This proposal is based on the following assumptions:

- Ashland will share available financial, personnel and service data (we anticipate that all documents used in the study will be public records as defined by Oregon law)
- Ashland will provide contact information for District 5 and other jurisdictions that may be included in the course of the study, as well as for Emergency Communications of Southern Oregon, and these agencies cooperate with CPS.
- Most of the communication between CPS and staff of Ashland and other agencies will be done remotely to save travel time and costs.
- The proposed scope of work includes one in-person (in Ashland) presentation of findings and conclusions.

Budget and Timeline

Based on the assumptions above, we propose the following estimate of schedule, staff hours, and cost to complete the project.

Task/Deliverable	Date	Faculty (Lazenby)	Senior Fellow (Robinson)	Staff	GRA	Other	Total
<b>Hours</b>							0
Project Design	Oct 2021	6					
Data Gathering	Nov-Dec	4			40		
Interviews with key staff	Jan-Feb 2022	4	20		16		
Analysis of options	Mar-Apr	8	48		60		
Revisions based on city feedback	Apr	2	32		40		
Final observations & recommendation	May		8	16	16		
Presentation of Findings (inc. travel)	Jun 2022		14	16	14		
<b>Total hours</b>		<b>24</b>	<b>122</b>	<b>32</b>	<b>186</b>		<b>364</b>
Hourly rate		\$ 185	\$ 195	\$ 80	\$ 32		
<b>Total Cost for Hours Worked</b>		<b>\$ 4,440</b>	<b>\$ 23,790</b>	<b>\$ 2,560</b>	<b>\$ 5,952</b>		<b>\$ 36,742</b>
Travel & lodging						\$ 749	\$ 749
<b>Total Proposed budget</b>							<b>\$ 37,491</b>

CPS Project Team

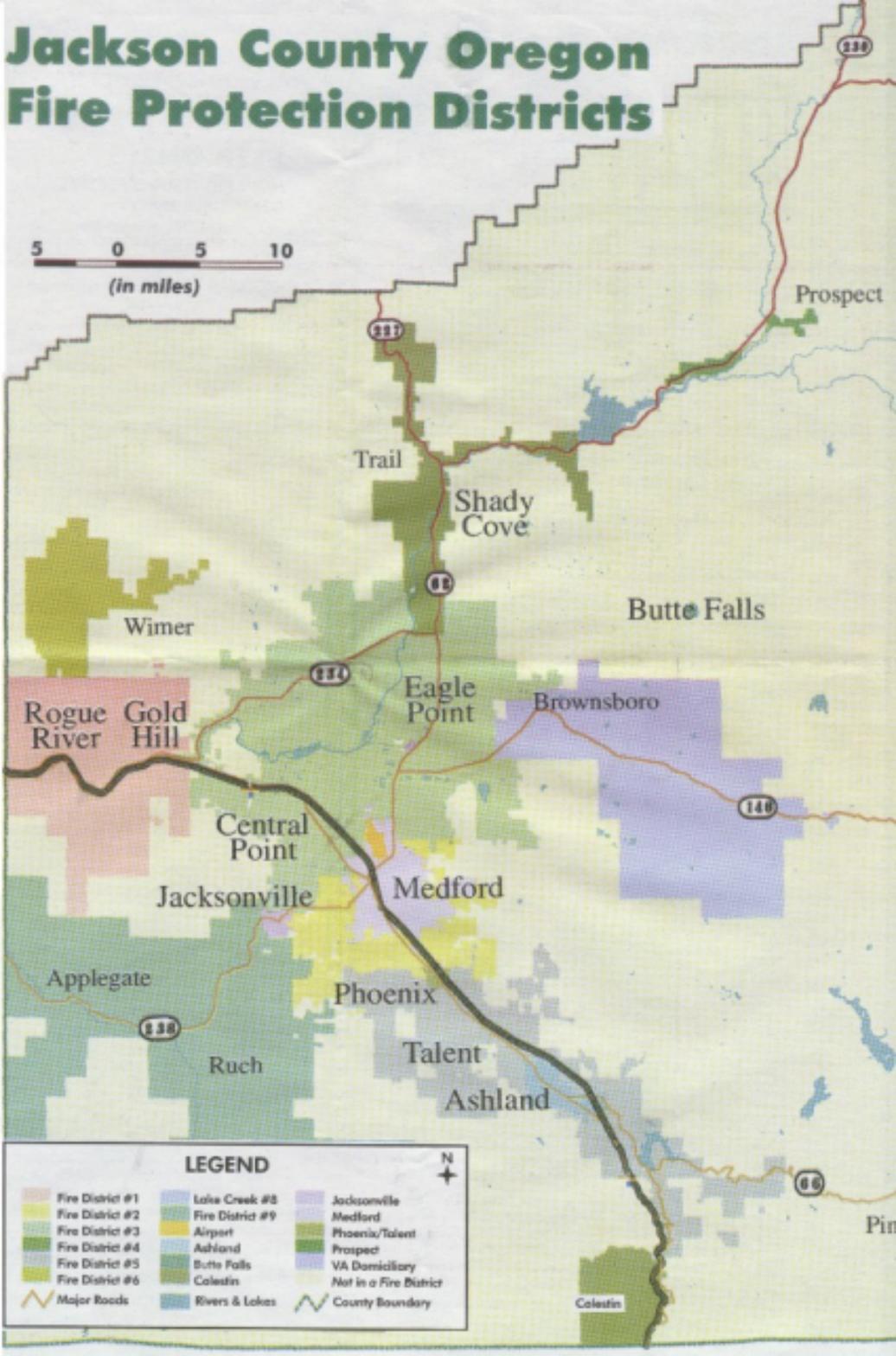
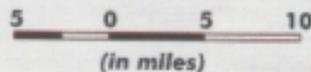
Scott Lazenby, local government projects manager for CPS will take the initial lead role on this project. Dr. Lazenby has been on the faculty of PSU since 2007, teaching courses on budgeting, project management, and leadership. Lazenby has had a 40-year career in local government management, serving as city manager of Lake Oswego and Sandy, Oregon, and

management & budget director for Glendale, Arizona. Most of those cities operated their own fire departments, but Sandy annexed to the surrounding rural Fire District 72.

Kent Robinson retired as PSU Assistant Professor in spring of 2021 and will be returning in January on the staff of the Center for Public Service and will at that time take over the lead role in the project. Dr. Robinson has taught courses on budgeting and financial management and is co-author of *Budgeting for Local Governments and Communities*. He was the project leader for an analysis of fire/EMS service and governance for the cities of Troutdale, Fairview and Wood Village. His consulting experience with the Center for Public Service also included an analysis of alternatives for emergency communications for Brookings and Curry County.

CPS staff will provide logistical support for the project as well as editorial support for production of a final report and recommendations. One or more Graduate Research Assistants will assist in gathering data and performing analysis of financial and service configuration data.

# Jackson County Oregon Fire Protection Districts



## LEGEND

- |                  |                  |                        |
|------------------|------------------|------------------------|
| Fire District #1 | Lake Creek #8    | Jacksonville           |
| Fire District #2 | Fire District #9 | Medford                |
| Fire District #3 | Airport          | Phoenix/Talent         |
| Fire District #4 | Ashland          | Prospect               |
| Fire District #5 | Butte Falls      | VA Domiciliary         |
| Fire District #6 | Coalestin        | Not in a Fire District |
| Major Roads      | Rivers & Lakes   | County Boundary        |



Coalestin

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