

CITY OF SALISBURY  
WORK SESSION  
JANUARY 19, 2016

Public Officials Present

Council President John R. "Jack" Heath	Mayor Jacob R. Day
Vice President Laura Mitchell (arrived 4:32 p.m.)	Councilman Muir Boda
Councilman James Ireton, Jr. (left 6:30 p.m.)	Councilwoman April Jackson

In Attendance

City Clerk Kimberly R. Nichols, City Administrator Tom Stevenson, Assistant City Administrator Julia Glanz, Assistant Fire Chief Darrin Scott, Planning & Zoning Director Jack Lenox, Police Chief Barbara Duncan, Public Work Director Mike Moulds, interested citizens and members of the press.

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On January 19, 2016, Salisbury City Council convened in Work Session at 4:30 p.m. in Conference Room #306 of the Government Office Building. The following is a synopsis of the topics discussed in the Work Session:

**TriData LLC presentation- Fire Service Consultant & Budget Amendment**

Salisbury Fire Department (SFD) Assistant Fire Chief Darrin Scott provided a PowerPoint on the Fire Service Agreement (FSA) with Wicomico County that provided historical information and presented options (PowerPoint slides are attached and made part of the minutes).

TriData LLC Senior Consultant Harold C. Cohen, Ph.D. joined Council and provided the professional background for himself and the consultants associated with the firm. He then reported in one aspect reimbursement will become much simpler after the study, but in another way more complicated because eventually all the standards for public safety communications centers will have a map containing every fire and EMS unit. The creation of key formulas for accurate and effective reimbursement rates becomes complicated.

Dr. Cohen said the firm understands the Wicomico County and City volunteers have a strong presence which the citizens value. According to the National Volunteer Fire Council, volunteer numbers are reducing approximately 8% per year. Four years and 32% less means the beginning and end of a political term and a very broad change in the City's Fire and EMS Service. The firm will look at the current and future provisions of high quality EMS to the citizens, how much more complicated that is becoming, expansion of the scope of practice in EMS, public expectation, and health care community expectation from our EMS in terms of stroke, acute myocardial infarction, and trauma. These will become part of the healthcare reimbursement patterns. He stated the City and County do not want to have to return to the "drawing board" every year or so, and the formulas and mind-set will be heading in the same direction in making the study a usable document. When he presented this proposal to the County Council earlier in the day, Dr. Cohen reported hearing consensus from them on at least the first phase.

Dr. Cohen explained the phases and associated costs of the study, as outlined below:

1. Phase I (cost split between County and City- \$15,000 each). Cost includes all travel and presentations to leadership at either draft or final report stage.
  - a. Task 1 – collect/review background information
  - b. Task 2 - triage of issues
  - c. Task 3 – analyze SFD coverage/demand
  - d. Task 4 – cost apportionment
  - e. Task 5 – draft and final report
2. Phase II (\$20,000) Much of the baseline information for this phase will have been collected in Phase 1, thus keeping cost lower. Cost includes all travel and presentations to leadership at either draft or final report stage.
3. Phase III – Optional (approximately \$5,000) Facilitation/Mediation of Agreement
  - a. charged on an hourly basis
  - b. includes two trips and Dr. Cohen @ \$150/hour for 28 hours

Council questions and comments included:

Mr. Ireton –

- Who will project leaders be and will those documents be made public? (Mayor Day responded that Chief Hoppes would be the most knowledgeable on the provision of Fire Service in the City.)
- Senior living call numbers – do you see more in the future? (Dr. Cohen answered that is what they will find out. Beyond talking with Fire Dept and EMS personnel, they plan to talk with City and County Personnel, Planning, and Finance to develop a better understanding of what is happening in the City and County.)
- Phase I will get us to a point where numbers are presented that are valid. He was concerned that the City will move to do Phase II, and he does not want to see that the City pays for the study and if this is not binding, moving to Phase III where there is a mediator. He was concerned that if we take the cost of Chief Hoppes' presentation (which Assistant Chief Scott presented) that that would total about \$30,000.00 worth of work, with all the information he had to go through in the GIS. He was concerned the City would agree to this study in the spirit of compromise, and will not complete the recommendations.
- If both entities pass the resolutions to approve this first Phase, after the required time we are oddly enough down to the budget deadline for the City and County. He had hoped this would be done before budget time. If there was compensation or change coming our way we could budget for a smaller area, bigger area, etc. If you take the six years he was in office and the \$13.2 million - every year at \$2.2 million and you add in two more years (Mayor Day's first two years), there is an urgency and responsibility on Council's part to say that these phases have to be reached. If we do not demand that something come out of the study, then we are just throwing \$30,000 away after \$16 million.

Mr. Heath –

- Was the prior issue a number or was it theory? (Mr. Ireton answered that there were blocks. If it was not the money, changing boundaries were discussed.)

- We have not had an agreement in how long? What happened to all those years? He thought the numbers in the study will come very close to what our numbers show, but if there is an agreement that their numbers are the final numbers, then negotiations with the County will be simpler. How we get to the finer endpoint remains to be seen.

Mr. Boda –

- If we get to the point about which direction to go, if we do the valuation, it will likely have to go to a referendum of County voters, or at least to Annapolis, since something will be added to the taxpayer. It is the fairest way since it itemizes to County residents.

Mayor Day –

- The numbers that we use are our numbers. There are two sides to this conversation, and it is very difficult to move forward in good faith when the numbers have been created and are favorable to one-half of the parties at the table.

Mrs. Mitchell –

- The fact that County Council reached consensus this morning and we are here discussing this, and the fact that we have agreed on the firm, is closer than we have ever been to an agreement and is indicative of where we are headed with this. Unfortunately, politics plays into anything dealing with money. The fact both entities are putting money into this project will make it politically very hard to ignore the results and outcome.

Council reached consensus to advance the resolution to legislative agenda. Councilman Ireton abstained from the consensus.

### **Zoning Petition – Light Industrial – Golden Phoenix Property Management**

Planning & Zoning Director Jack Lenox joined Council at the table and noted Mr. Tran was present in the audience. Mr. Lenox discussed the process recommended by the Planning & Zoning Commission which is to change the text to Light Industrial, allowing anyone in the district (not just Mr. Tran and not just this particular property) to make their pitch for this type of use. There are other special exceptions that are already written into the Code, and this one is for the definition for a flea market. If City Council chose to support this following a Public Hearing, we would include a definition for the first time and allow for the special exception use which means that all of the questions having to do with the site and the building would be taken up through the public process, through the Board of Zoning appeals.

Mr. Boda stated he was looking at the area's future as a whole and asked what they visualized happening. He indicated willingness to give Mr. Tran a chance and hoped this might turn around an area of town that has struggled for many years.

Mrs. Mitchell commented that with the special exception if Light Industrial is in the text, this would apply to ALL Light Industrial. She asked if it was possible to do something like Daycares by Special Exception, but do they have to have approval from the Council? The more narrow definition about where this can be will be more appropriate for this, and reminded Council that Mr. Tran said this is an interim plan to see what happens there.

Mr. Lenox informed Council that Mr. Tran needed guidance regarding an extension and whether to push forward with the purchase of the property.

Mayor Day reported the property was close to visible things the City of Salisbury wants to develop like the railroad corridor, Rt. 13, Rt. 50, Downtown-City Park connection, and Downtown and said for this site, an amendment that allows the Flea Market in the Light Industrial District (restricted only to this area) makes sense. The longer vision about the property (for instance, does it become a hotel, etc.) is even more crucial to getting it right. Do we take this one step and see what happens, or throw up our hands and let anything happen? The interim step may be acceptable as long as the zoning is not changed to General Commercial to allow a hotel right now. This is taking it one step at a time.

Mr. Lenox summarized Council by restating they welcome Mr. Tran's investment in the community and the Church Street area, and were willing to move ahead with the first reading. The Public Hearing shall occur during second reading to allow time to prepare the language.

Council reached unanimous consensus to advance the legislation to the next legislative agenda.

### **Downtown Master Plan presentation**

Mayor Day and Council discussed the Downtown Master Plan, the Comprehensive Ten Year Plan, the upcoming Capital Improvement Plan, and how they relate to each other.

Council reached consensus for the language in the resolution to be updated to currently reflect the priorities at the time of adoption. Mr. Lenox recommended inserting a disclaimer stating not every concept in the plan was realistic nor necessarily advisable. Mayor Day remarked that the entire community has identified their priorities in developing this twenty-year master plan, and recommended any edits and changes be made by the students to reflect the plan's end product

Mr. Boda suggested making the document available during Third Friday for final public input. Mrs. Mitchell thought the final document should be presented at Headquarters Live since it began at that location. The final plan, from inception to completion, could be presented. Mayor Day suggested this be done before the end of February 2016 to allow time for changes to be incorporated and scheduled for the March 14, 2016 legislative session. 01

Council reached consensus to advance the legislation to the March 14, 2016 Council meeting.

### **Accepting Funds from U.S. Marshals Service**

Police Chief Barbara Duncan presented the request to accept \$27,000 from the United States Marshals Service for reimbursement of overtime salary costs for two Salisbury Police Department Warrant Squad Officers to conduct joint law enforcement operations investigating, arresting and prosecuting persons who have active state and federal warrants for their arrest. This is a yearly reimbursement, accepted with the passage of a resolution.

Council reached unanimous consensus to advance the resolution to legislative agenda.

### **Accepting Funds from U.S. Marshals Service**

Chief Duncan presented the request to accept \$1,000 from the "Operation We Care" to be used towards establishing the City's first Salisbury Police Explorers Post, to improve the lives of youths ages 14-20 that participate in the program.

Council reached unanimous consensus to advance the resolution to legislative agenda and to present a proclamation to Jeff Merritt for "Operation We Care."

### **Birch Street Abandonment**

Public Works Director Mike Moulds requested approval to abandon the unimproved street right of way Birch Street, between Lake Street and Cypress Street. This street has never been improved or used. The abandonment will allow for development of access to a midblock parcel, potential for improvement to a vacant business and correction of a standing water problem.

Council reached unanimous consensus to advance the legislation to the legislative agenda.

### **Budget Amendment – New Year's Eve**

City Administrator Tom Stevenson presented the budget amendment needed to move donations to support the New Year's Eve Salisbury (NYESBY) to the correct account from General Fund.

Council reached unanimous consensus to advance the legislation to the legislative agenda.

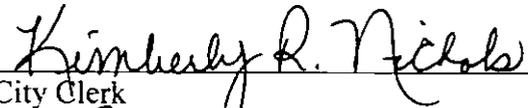
### **General Discussion**

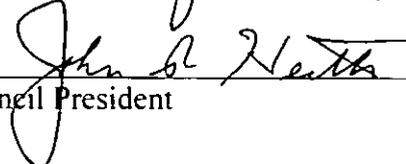
Mr. Heath and Mr. Boda were not interested in replacing their tablets until their current tablets were no longer working. Mrs. Mitchell reported IT Director Bill Garrett researched costs for the Surface III package (\$999.00) and the tablets with the "tent" foldable screen (\$1,200.00). They were both priced out to last four years. The fans in the current tablets (the original tablets Council purchased) were burning out. Mrs. Mitchell recommended funding \$1,200.00 per laptop for FY17 and if they were needed, the funds would be available. This will be for four, not five devices since Mr. Boda was not interested in a replacement device.

Mrs. Mitchell asked Council if they would be able to attend the "If I were Council" Scholarship Competition on February 18, 2016 at East Salisbury Elementary. All were interested in going.

Mr. Heath reported that one of Mayor Day's consistency and branding ideas was to uniformly create email signature lines. Mrs. Nichols will send out the email for Council to review.

There being no further business to discuss, the Work Session adjourned at 7:13 p.m.

  
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City Clerk

  
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Council President

*Proposal to  
Wicomico County, Maryland*

EVALUATION OF FIRE SERVICE SYSTEM  
FEES AND STRATEGIC PLAN (REVISED)

*December 30, 2015*



Prepared by:  
TriData LLC  
c/o System Planning Corporation  
3601 Wilson Boulevard  
Arlington, VA 22201

## I. BACKGROUND

Emergency services in Wicomico County are provided by a network of volunteer fire and EMS stations, and by the City of Salisbury Fire Department (SFD). The County provides a grant to its volunteer departments and the City fire department to help offset expenses. The SFD is a combination fire rescue service. Providing career personnel 24/7, augmented by volunteers primarily at night and on weekends. Services provided by the SFD include advanced life support (ALS) response and transport. The SFD provides its services from three fire stations. Under the current agreement, the City protects those areas adjacent to its boundaries (which are quite irregular geometrically.)

Over recent years, questions have arisen as to whether the current amount paid to the City is equitable, in light of the level of service provided (mostly career service) and the demand for services outside of the city limits. To date, County and City officials have been unable to agree on a subsidy amount that both parties consider equitable. While the details are unique to Wicomico County, this question arises frequently across the nation: should mutual aid or automatic aid services be provided at no cost, incremental cost, fully allocated cost, or something in between?

This issue needs to be considered in light of major strategic considerations of Wicomico County government. One consideration is a desire to maintain a healthy volunteer system, which not only saves money but also contributes to the very nature of the communities in the county, and the spirit of the county. It has long been part of the fabric of county life, and there is a desire to maintain it, even as pressures grow that make volunteer retention and recruitment more difficult.

A second major strategic consideration is maintaining the quality of the ever increasing volume and sophistication of Emergency Medical Services provided to the citizens. EMS constitutes the vast majority of calls into the county. The training burden and need to maintain advanced EMS skills raises many complex issues, and the financing of EMS is a key part of maintaining its quality. Even more profoundly, one must consider whether the current system is likely to be adequate going into the future, or at least the next five years. If the system needs changes, then that would in all likelihood change financial needs, and who pays for what.

Some of the above may be beyond the specific County/City Fire Service Agreement issues. We believe that having this information will help all organizations with strategic management.

## **II. PROPOSED WORK STATEMENT**

TriData proposes a two phase project to assist the County in addressing the above issues.

### **Phase I. Level of Current Services, and Financial Analysis**

In Phase I, we will identify and evaluate the services provided by the SFD to the county, and examine its costs. The following tasks will be undertaken:

*Task 1 – Collection and Review of Background Information.* We will collect and review background information provided by the County and SFD relative to the question concerning equitable payment. Information needed will include the latest budget documents as well as information concerning SFD operations, daily staffing, apparatus deployment, and capital replacement costs. We will also collect incident data from the County's 911 computer-aided dispatch (CAD) system, to include the number, location and types of calls, and the weight of response.

*Task 2 – Triage of Issues.* Within two weeks of project initiation, we will conduct a site visit to get familiar with the geography, stations and personnel, dispatch, and management. We will interview many stakeholders in the city and county, and then triage the issues. We will visit the current fire stations and equipment, and discuss the organization and level of service with chiefs in the city and county. At the end of this visit, we would meet with the county and city project leaders (and anyone else the county wishes to attend) to triage the issues found. It is expected that three days will be needed to conduct the initial on-site review by senior project team members.

*Task 3 – Analyze SFD Coverage and Demand.* We will use the data provided by the County's 911 center to plot the demand using Geographic Information System (GIS) technology. We will obtain and review pertinent GIS analyses that have already been undertaken. Our project staff will review any previous analyses and provide any necessary updates. Using GIS "shape files" provided by the County, we will analyze the area and population in the County covered by the SFD. We will examine the trend in demand (calls by type) within and outside the city, and which units respond to which calls. We will consider how busy the city units are at peak times, and when the peaks occur. We will consider response times of units from the city to the county, and from the county volunteer system. In considering response times, we look at call processing, dispatch, turnout and travel times, and the time to amass multiple units and personnel where needed.

*Task 4 – Cost Apportionment.* In Task 4, we will use the information from Tasks 1-3 to determine the operational and capital costs of the SFD, and the incremental cost of providing service to the county under the current coverage arrangement. We will propose an approach or options for determining the amount of the grant each year.

**Task 5 – Draft and Final Report.** We will provide a draft report of all findings and analyses to the city and county project managers for review and comment. Each project manager is invited to distribute the draft reports as they see fit. To maximize time efficiency and reduce costs, we ask that each project manager collate any comments received for response to us.

Following review of the draft, we will make changes as needed, and submit a final report. Five hard copies of the final report and a CD will be provided.

## **Phase II. Fire/EMS Organization Options for the Future.**

The nature of the county fire/EMS system going into the future is a function of the forecast demand and level of service desired. Options going forward might include adding volunteer or combination stations, or other ways to be more self-sufficient. We will estimate the associated costs and impact on quality of service of options that seem reasonable to consider, relative to maintaining the status quo. This appears to be the heart of the project and will be given the highest consideration

One option might be a unified, county-wide fire service. As fire department services have expanded, with more specialties such as technical rescue and advanced life support, it is difficult for medium- size career and small volunteer fire departments to provide such services and keep up with the state of the art. A near future (at least next five years) view should be taken to determine the viable options. That also will help put the current payment split into better perspective.

## **Phase III. Working Toward Agreement (Optional)**

Either after completing Phase 1, or both Phase 1 and Phase 2, we could take an active role in creating an agreement between Wicomico County and the City of Salisbury—essentially an informal mediation. We could ask Wicomico County and the City of Salisbury to pick a small team (three persons each) to review the options directly concerning County/City support. TriData would act as facilitator/mediator to move the process forward and scribe the results. We would also identify those items that are felt to be essential, but could not be agreed upon.

After completing the above, the process can be repeated as an exercise for the entire fire and EMS service in Wicomico County. This would involve the selection of five to six people representing the government, volunteer fire and EMS, career fire and EMS, the business community, and the public. TriData would act as facilitator/mediator to move the process forward and scribe the results.

The participating groups would be free to introduce additional items that we did not find. All mediated agreements would be subject to the prescribed political process and governmental approvals. TriData would assist Wicomico County in presenting the proposed agreements and those subjects at impasse to the designated political entities.

### III. CORPORATE EXPERIENCE

TriData has undertaken over 250 studies for local city and county fire departments over the past 33 years. Among these are many studies for counties with combination or largely volunteer fire or EMS systems, including Anne Arundel County, MD; Prince William County, VA; Woodbridge Township, NJ; North Star Borough, AK; Newburgh Volunteer Ambulance Corp, NY; and others. In the course of these studies we have addressed all of the issues facing Wicomico County.

TriData recently evolved from a subsidiary of System Planning Corporation to a self-standing LLC, giving us more flexibility and lowering overhead by being apart from a corporation mainly devoted to federal contracts. SPC was recently sold to a much larger Arlington company, and gave the TriData staff the opportunity to become independent in the process. We continue to be based in Arlington County under the same leadership and with the same senior staff that has led to our high reputation for objective, technically excellent and innovative studies for local government clients.

Besides consulting for local governments, TriData does research nationally and internationally on the state of the art of fire protection. We also have done over 50 after action reports of major incidents, including the Virginia Tech shootings, Hurricane Isabel, and the "anthrax" attack on the Pentagon mail room, Aurora, CO theatre shooting, and Boston Marathon bombing. We mention this to show the confidence placed in us for highly sensitive studies, and the need for fire and EMS systems to consider how they would handle a mass casualty incident. Having an integrated fire/EMS system is critical for such incidents, which are rare for any individual jurisdiction, but all too common these days nationally.

#### Key Personnel

Our proposed team is highly experienced in undertaking these types of studies in Maryland and across the nation.

**Dr. Harold C. Cohen**, a Senior Program Manager for TriData, will serve as the project manager for this study. He has over 30 years of fire service experience, 22 of which were with a Maryland combination county fire department where he reached the rank of division chief. He has extensive experience in various facets of the fire service, including EMS, fire suppression operations, fire department communication operations, administration and management, and training.

Dr. Cohen started his fire service career working in volunteer fire companies in Maryland. He is a Life Member of the Pikesville Volunteer Fire Company in Baltimore County, with 35 years of service, including over 4 as secretary. He also served as an EMS lieutenant with the Jacksonville (MD) Volunteer Fire Company.

Dr. Cohen has contributed to over 25 TriData studies, including some of high political sensitivity. He was project manager or deputy project manager for studies of the State of New Jersey's EMS system; Woodbridge and Franklin Townships, NJ; Alameda, CA; Newburgh and Rochester, NY; Key West, St. Petersburg, Volusia County, Bonita Springs, and Orange County, FL; Pittsburgh, PA; Cincinnati, OH; Norfolk, VA; Anne Arundel County, MD; Oklahoma City, OK; Portland, OR; and others.

Dr. Cohen has a PhD in Health Services, a Master's degree in Emergency Health Services Administration and Management, and is board-certified in health care management. He is a graduate of the National Fire Academy Executive Fire Officer Program and is a national Chief Fire Officer Designate. In 2002, Dr. Cohen was selected by IAFC/NFPA as a Fellow to the Harvard University JFK School of Government State and Local Government Executive Program. He is also an instructor for the National Fire Academy's Executive Fire Officer Program, and teaches EMS system organization. He is a nationally known expert on options for organizing emergency medical systems, including environments such as Wicomico County.

Dr. Cohen also is an experienced mediator. He has mediated over 125 cases. He is currently President of the Maryland Council for Dispute Resolution, the oldest mediation group in Maryland. His experience may be highly valuable in formulating and, if need be, facilitating an agreement between the city and county.

Assisting Dr. Cohen will be **Doug Helfman**, CPA. He is located in the Baltimore area. He recently assisted Cohen in analyzing fire department costs and fees in Seminole County, FL and would do the same here in Phase 1.

**David Simms**, Senior GIS Analyst for TriData, has 28 years of experience using geographic information systems (GIS). He is a certified Geographic Information Systems Professional (GISP), retired chief technical analyst for the Prince William County Department of Fire and Rescue Services, VA, and is adjunct staff at George Mason University; teaching 'GIS for Emergency Management'.

As chief technical analyst for Prince William County, he was responsible for integrating GIS and other technology to generate and analyze system performance measurement, and to support the development of station location studies, apparatus deployment modeling, and preparing for and recovering from disasters. Mr. Simms managed the county's Planning and Intelligence Group, Situation Unit during EOC (Emergency Operations Center) activations, and has established procedures using GIS during emergency or disaster events. He also has worked as head of GIS Development and Maintenance with Prince William County and was instrumental in the initial development of the county's first GIS, managing the three-and-a-half-year effort of parcel automation.

**Chief Michael Iacona** is highly knowledgeable in fire service performance measurements, alternative funding methods, long-term planning, and ISO ratings. He completed comprehensive fire master plans for Orange County and Palm Beach County, FL and Flagstaff, AZ.

Chief Iacona is currently the fire chief of the Flagstaff (AZ) Fire Department and former director of Emergency Management for Orange County (FL), Emergency & Safety. He served for four years as the Chairman of the State of Florida Fire Fighters Standards and Training Council and was appointed to two separate Governor's Task Force groups in Florida, which addressed Wildfires and Weapons of Mass Destruction.

Chief Iacona has contributed to many TriData studies, including a Rapid Response Vehicle Staffing and Deployment Review for the City of Portland, OR; Operation and Management Assessment for the Boulder Fire Department, CO; Comprehensive Management Study for the Arlington Fire Department, TX; and Management and Performance Audit for the City of Salt Lake City, UT.

Chief Iacona has a Bachelor's degree in Urban Planning and Education and Master's degree in Public Administration.

. He is familiar with combination county fire department systems, and, perchance, a graduate of Salisbury State University, and familiar with the County and City. Chief Iacona is known for his superior public administration skills and working to bridge governmental/fire and EMS services concerns.

#### IV. COST

Because this is proposed as a sole source study, we can offer you the savings from not doing a full blown proposal. The County also benefits from a 20% discount in overhead rates as a result of our new independence.

**Phase I**..... \$30,000

**Phase II**..... \$20,000

Much of the baseline information needed for Phase 2 will have been collected in Phase 1, which is why the cost of Phase 2 can be lower. Cost of Phases 1 and 2 include all travel, and a presentation or multiple presentations to County leadership (and anyone desired) on one day at either the draft or final report stage of each phase.

**Phase III. Option: Facilitation/Mediation of Agreement**

We estimate this would be charged on an hourly basis. We estimate the cost would be about \$5000, including two trips, and Dr. Cohen @ \$150/hr for 28 hours.

## V. TIMELINE AND DELIVERABLES

Phase 1 can be completed in 4 months. We would submit a draft report for review in 3 months, allot 2 weeks for County and City review, and then another 2 weeks to finalize the report

Phase 2 would likely take another 2 months depending on the extent of issues to be considered and the cooperative efforts between stakeholders. TriData will work with Wicomico County and stakeholder groups until they are satisfied with the agreements or acknowledge that the process has reached its limits.

### Payment Schedule

#### *Phase 1*

- \$5,000 upon project initiation (mainly to fund the initial on-site visits and s and triage review)
- \$12,500 per two months
- \$5, 000 upon delivery of final report

#### *Phase 2*

- \$8,000 per two months
- \$4,000 upon delivery of final report

#### *Phase3*

- Option billed bi-weekly as costs incurred



# **Fire Service Agreement...**

## **An Integral Piece of the Puzzle**

Richard A. Hoppes, B.S., Fire Chief

# Agenda

**Problem Statement**

Identified areas for concern for the City, County, each Fire Department, and the citizens.

**History**

Brief summary of how we got here.

**Current Situation**

Overview of where we are today relating to statistics and finances

**Options**

Currently identified options for remedy.

**Recommended Actions**

How resolution can be accomplished.

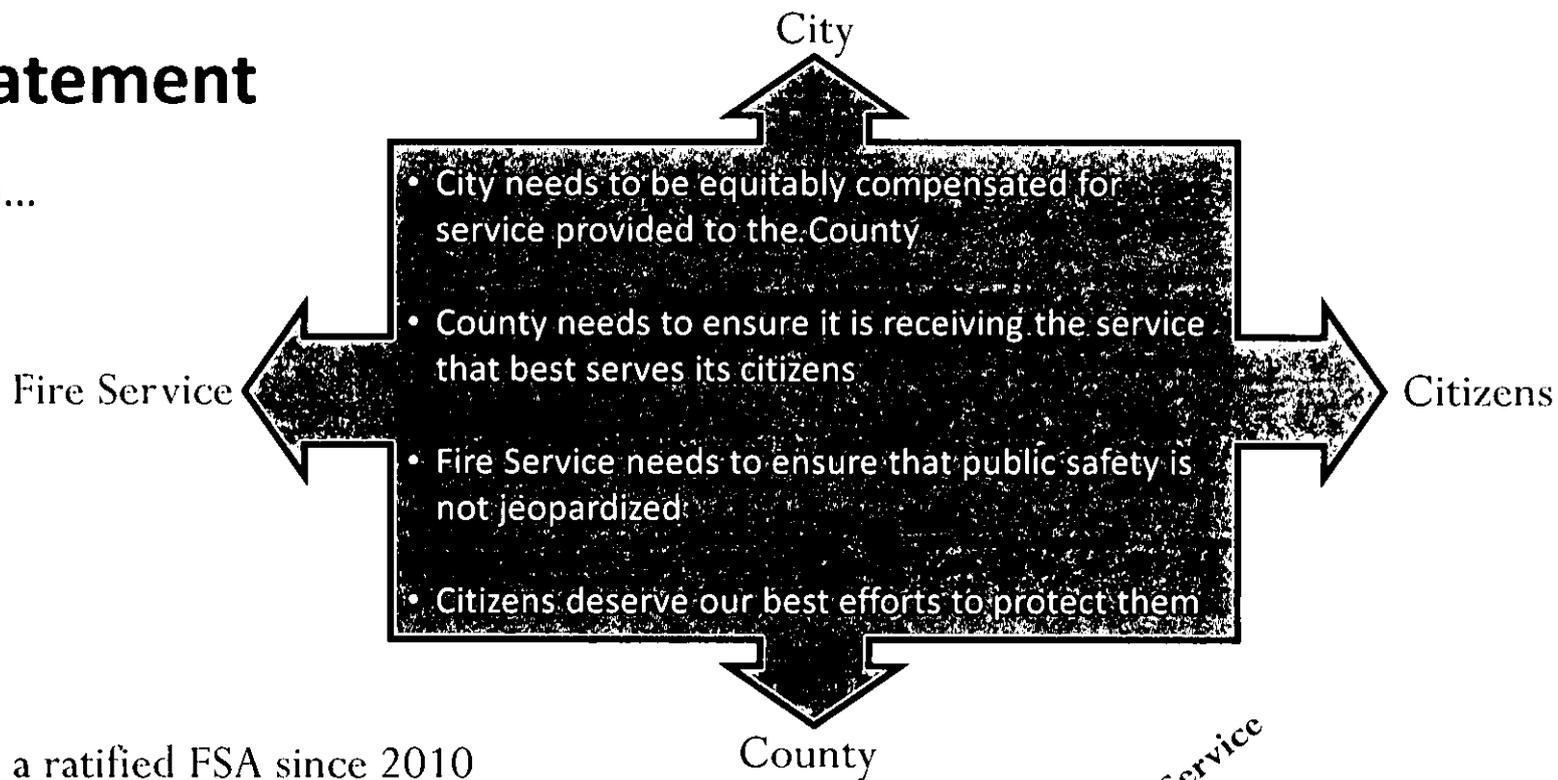
**Call to Action**

A time for leaders to rise to the challenge.

*Fire Service Agreement*

# Problem Statement

Areas for concern...



*Fire Service Agreement*

- There has not been a ratified FSA since 2010
- The City taxpayers have continued to fund services to the County
- \$2.2M per year (City Estimates)

# History...

How did we get here?

- The Salisbury Fire District has been established for more than 30 years
- The SFD district includes considerable territory outside the City municipal limits
- Virtually unchanged...except for annexation
- Original FSA between the City and the County was a call based formula
- The funding formula of the old agreement was very complicated and difficult to calculate and understand
  - Led to many disputes between the City, the County and the other volunteer corporations

*Fire Service*

*Agreement*

# History...

How did we get here?

- In 2005 a new Fire Service Agreement (FSA) between the City and the County was approved
- Funding formula was simply a flat rate that was equal to all other FD funding in the County
- County agrees to make certain payments to the City and our three volunteer corporations (same as other FDs in County).
- Three (3) year term with an automatic renewal clause unless either party gave notice of a wish to terminate.

*Fire Service  
Agreement*

# History...

How did we get here?

- December 2007 - the City notified the County of its desire to terminate the agreement on July 1, 2008
- A decision was made to extend the FSA for one year, ending on June 30, 2009
- Extended again for one year, ending on June 30, 2010
- Finally, it was extended again for an additional six months, terminating on December 31, 2010.

*Fire Service  
Agreement*

# History...

How did we get here?

- Since 2007, the City has requested a number of meetings and/or discussions at the staff level to begin a new negotiation process
- Each attempt has failed and produced no results or outcomes
- Expired FSA continues to be honored by the City and the County

*Fire Service  
Agreement*

# Current situation...

Overview of where we are today relating to statistics and finances

- SFD responds to **62.95%** of the total fire calls in Wicomico County
  - SBY Fire Calls = 2817 (1965 In / 852 Out)
  - Rest of County = 1675
- SFD responds to **66.71%** of all EMS calls in the County
  - SBY EMS Calls = 8348 (5579 In / Out 2769)
  - Rest of County = 4107

*Fire Service  
Agreement*

## Current situation...

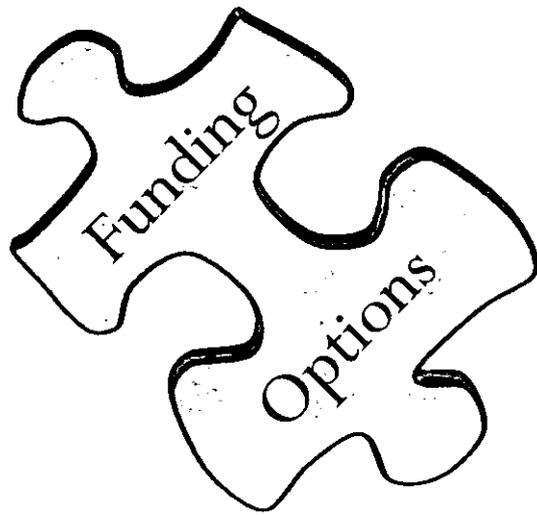
Overview of where we are today relating to statistics and finances

- SFD protects **56.58%** (56,102) of the total County population (99,169)
- SFD protects **58.38%** (\$ 4,111,196,900.00) of the County's total assessed taxable base (\$ 7,042,680,900.00)
- City receives only **23.87%** (\$ 956,000.00) of the County's total funding for fire and EMS services (\$ 4,003,000.00)
  - Receives exactly the same stipends as every other FD in the County

*Fire Service  
Agreement*

# Options...

The City has proffered several options to the County to establish a starting point for negotiating a new FSA.



- The following options have been presented to the County:
  - Formula based on calls for service
  - Formula based on current FD expense for provision of services to the County portion of the SFD Fire District
  - Formula based on the assessable tax base of the fire district
  - Reduction of the SFD Fire District

Fire Service  
Agreement

# Options...

## Call based formula for calculating costs for service provision in the County

- Model for a pay per call responded to in County
- Fair to the taxpayers of the City
- Fair because the heavier call volume necessitates greater resources of equipment, facilities and personnel and results in greater wear-and tear on all of these resources
- Could be applied just to the Salisbury Fire District or to all of the County's Fire Districts
- Based on a mathematical calculation to include equipment/apparatus and personnel expenses
  - Use of FEMA equipment and apparatus rates (independent model)
  - Personnel expenses calculated using real salary and benefit data

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# Options...

## Call based formula for calculating costs for service provision in the County

*Fire Dept. Costs per call (FEMA Rates + Personnel Costs)*

**Fire Rate:**

- FD Pumper truck and equipment (FEMA Allowable rate) = \$ 175.00 / hr.
- Fixed / Operating Costs = \$ 573.92 / hr.
- **Total (billed as soon as the unit is alerted) = \$ 748.92 / hr.**

**EMS Rate:**

- Ambulance and equipment (FEMA Allowable rate) = \$ 32.50 / hr.
- Fixed / Operating Costs = \$ 582.65 / hr.
- **Total (billed as soon as the unit is alerted) = \$ 615.15 / hr.**

**Expense projects for County Fire and EMS Services in CY2012:**

- Fire Expense: \$ 748.92 X 852 = \$ 638,079.84
- EMS Expense: \$ 615.15 X 2769 = \$ 1,703,350.35
- **Total Expense for per call formulation = \$ 2,341,430.19**

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# Options...

## Expense based formula for calculating costs for service provision in the County

- Model is based on expensing the FD annual operating budget to calculate overall costs for services in the County portion of SFD fire district
- Dependent on using the FD annual budget to develop an expense model for costing out services
- Reflects a true cost for services to each household in the District
- Provides a true representation of the costs for services in the County portion of the District
- Model is complicated

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# Options...

## Expense based formula for calculating costs for service provision in the County

Financial evaluation for the City providing Fire and EMS services in in the County for CY2012:

• Gross Fire Expense =	\$ 1,166,917.28	
• Gross EMS Expense =	<u>\$ 2,687,124.01</u>	
• Total Expense =		<b>\$ 3,854,041.29</b>
• Fire Revenue from County =	\$ 500,000.00	
• EMS Revenue from County =	\$ 456,000.00	
• EMS Billing Revenue =	<u>\$ 675,859.22</u>	
• Total Revenue offset =		<b><u>(\$ 1,631,859.22)</u></b>
• Net Expense for County protection =		<b>\$ 2,222,182.07</b>

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## Options...

Assessable Tax Base formula for calculating costs for service provision in the County

- The Assessable Tax Base formula is the creation of a new fire and emergency services tax for all of Wicomico County
- Designed to fund each FD more equitably for services rendered
- Based on the amount of assessable base protected within each fire district.

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## Options...

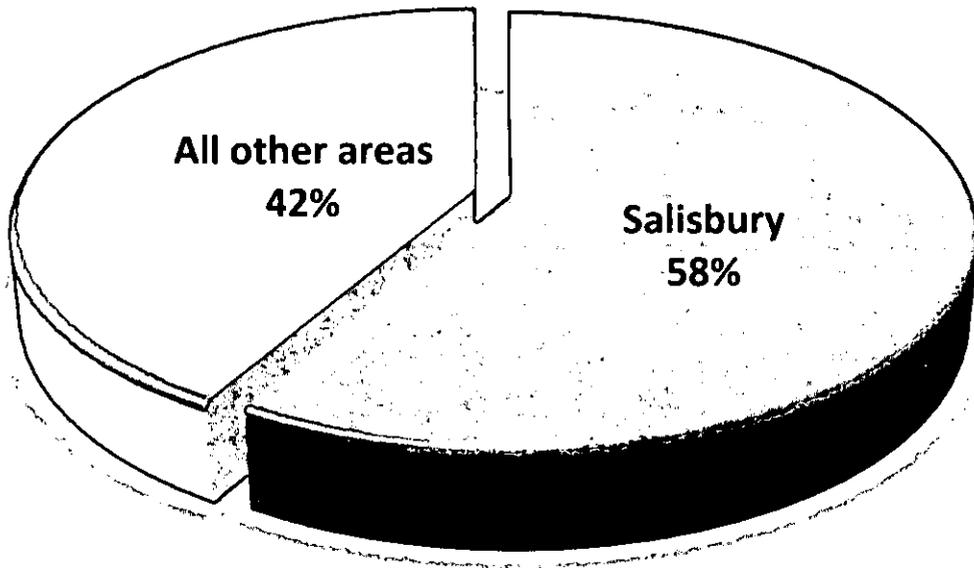
Assessable Tax Base formula for calculating costs for service provision in the County

- New Tax model based on revenue generated at \$0.15/100 of assessed valuation
- Revenue solely for Fire and EMS services = \$10,564,021
- 50 % Taxable Base for Fixed Costs
  - Equal Split 14 Companies = \$377,286
- 50 % Taxable Base for Variable Operating Costs
  - Based on responses to assessable base in each district

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# Assessable Base Valuation

## TOTAL OF ASSESSED VALUATION PROTECTED



- SFD Protects more in assessed value than all other areas combined
- The higher the assessed value protected – the more calls for service
- The more calls for service – the higher the expense in providing services

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# Assessable Base Valuation

What does it mean for our County Fire Service?

Assessable Base Costing Model										
Name	Station	County Total Value	City / Town Incorporated Limits	% of Total Value	A Base Funding On 50 % of Total	B Assessment Funding Based on % of Value @ 50% of Total	Total A+B	FY 2015 Funding	Difference	% of Available Funding
Salisbury	1	\$1,192,995,900	\$687,022,000	16.94%	\$377,286	\$894,747	\$1,272,033	\$130,929	\$1,141,104	12.04%
Salisbury	2	\$1,059,829,300	\$702,502,000	15.05%	\$377,286	\$794,872	\$1,172,158	\$130,929	\$1,041,229	11.10%
Fruitland	3	\$721,720,700	\$297,564,600	10.25%	\$377,286	\$541,291	\$918,577	\$285,929	\$632,648	8.70%
Hebron	5	\$605,560,700	\$58,771,800	8.60%	\$377,286	\$454,171	\$831,457	\$285,929	\$545,528	7.87%
Parsonsborg	6	\$400,629,700	\$0	5.69%	\$377,286	\$300,472	\$677,759	\$285,929	\$391,830	6.42%
Pittsville	7	\$162,227,300	\$78,096,600	2.30%	\$377,286	\$121,670	\$498,957	\$285,929	\$213,028	4.72%
Willards	8	\$124,146,500	\$57,846,000	1.76%	\$377,286	\$93,110	\$470,396	\$285,929	\$184,467	4.45%
Mardela Springs	9	\$145,944,900	\$19,861,000	2.07%	\$377,286	\$109,459	\$486,745	\$285,929	\$200,816	4.61%
Powellville	11	\$59,613,000	\$0	0.85%	\$377,286	\$44,710	\$421,996	\$285,929	\$136,067	3.99%
Westside	12	\$158,501,000	\$0	2.25%	\$377,286	\$118,876	\$496,162	\$285,929	\$210,233	4.70%
Sharptown	14	\$63,722,000	\$31,572,100	0.90%	\$377,286	\$47,792	\$425,078	\$285,929	\$139,149	4.02%
Allen	15	\$113,413,700	\$0	1.61%	\$377,286	\$85,060	\$462,347	\$285,929	\$176,418	4.38%
Salisbury	16	\$1,858,371,700	\$987,778,900	26.39%	\$377,286	\$1,393,779	\$1,771,065	\$130,929	\$1,640,136	16.77%
Delmar	7A	\$376,004,500	\$148,595,700	5.34%	\$377,286	\$282,003	\$659,290	\$285,929	\$373,361	6.24%
<b>Totals</b>		<b>\$7,042,680,900</b>	<b>\$3,069,610,700</b>	<b>100%</b>	<b>\$5,282,011</b>	<b>\$5,282,011</b>	<b>\$10,564,021</b>	<b>\$3,538,006</b>	<b>\$7,026,015</b>	<b>100.00%</b>
City of Salisbury	1,2,16	\$4,111,196,900	\$2,377,302,900	58%	\$1,131,859	\$3,083,398	\$4,215,257	\$392,787	\$3,822,470	39.90%
Taxable Base		\$7,042,680,900								
Revenue at \$0.15/100		\$10,564,021								
			Equal Split 14 Companies							
50 % Taxable Base - Fixed Funding		\$5,282,011	\$377,286							
50 % Taxable Base - Assessment Value		\$5,282,011								
		\$10,564,021								

## Options...

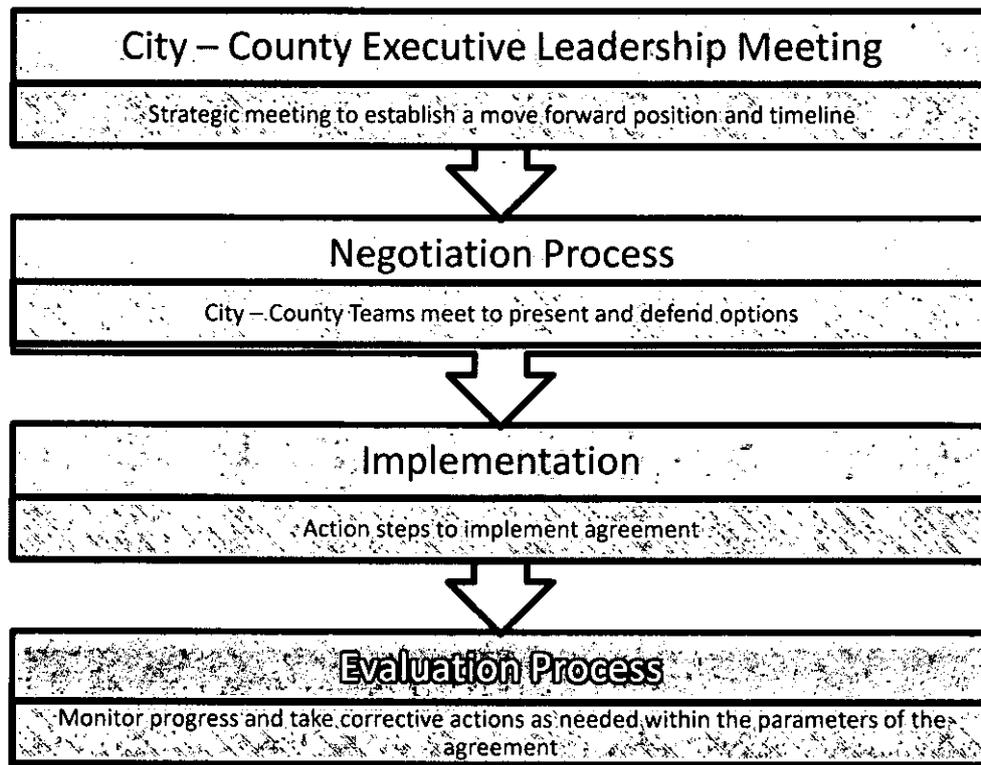
Reduction of the SFD Fire District to lessen the financial impact of providing services to the County

- Reduction of the SFD Fire District necessary without a new FSA

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# Recommended Actions...

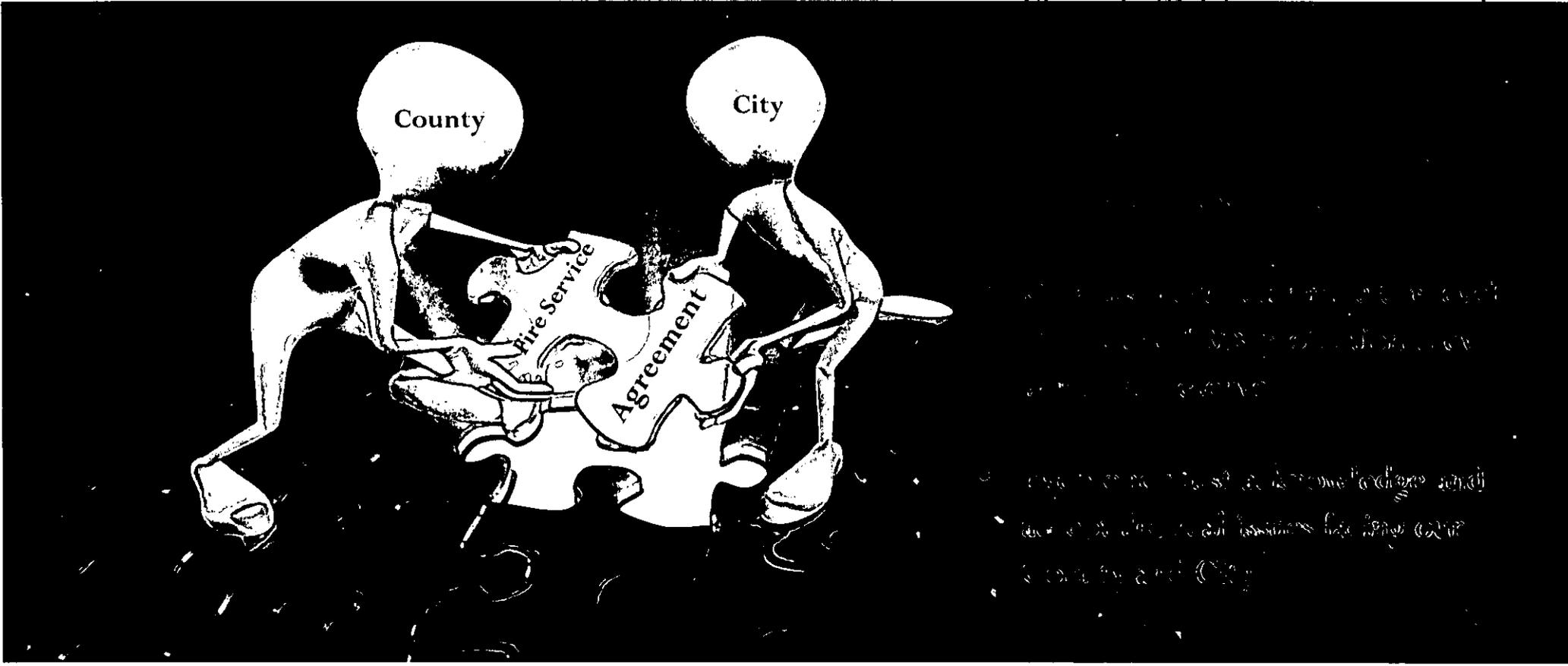
Where do we go from here?



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# Call to Action...

Everyone must engage to lead change.



Station 7

Station 14

Station 11

Station 9

Station 15

**Fire Service**

Station 8

**Agreement**

Station 12

Station 16

Station 3

Station 2

Station 1

Station 74

Station 6

Station 5

**Thank you!**

**Questions?**