

Marysville / Arlington / FPD 12 Regional Fire Authority Committee

Meeting

Marysville City Council Chambers

June 29, 2017

5:00 p.m.

Welcome and Introductions

Mayor Nehring called the meeting to order at 5:05 p.m. and invited everyone to introduce themselves.

Marysville Mayor:	Jon Nehring
Marysville City Council:	Steve Muller, Jeff Vaughan, Jeff Seibert
Marysville CAO:	Gloria Hirashima
Marysville Finance Director:	Sandy Langdon
MFD Finance Manager:	Chelsie McInnis
Arlington Mayor:	Barbara Tolbert
Arlington City Admin.:	Paul Ellis
Arlington Finance Director:	Kristin Garcia
Arlington City Council:	Marilyn Oertle, Chris Raezer, Jesica Stickles
Marysville Fire Dist:	Tonya Christoffersen
Marysville Fire Chief:	Martin McFalls
Arlington Fire Chief:	Bruce Stedman
Marysville Alternate CM:	Kamille Norton
Facilitator/Consultant:	Karen Reed

Review of Agenda and Goals

Marysville Mayor Nehring reviewed the agenda. He noted that all councilmembers from both cities were invited to this meeting because it is such an information-heavy agenda.

Interview Results and Discussion

Consultant Karen Reed thanked everyone for filling out a survey. She reviewed the results of the surveys as outlined in the packet distributed prior to the meeting and available on the RFA website. She summarized that, overall, there are a few strong

supporters of this on both city councils, a few people who are fairly opposed to it, and a majority of councilmembers who appear to be looking for more information before they can make a decision. The three fire commissioners from Fire District 12 were more supportive, but still also had concerns and questions about the process and what the outcome might be. There are a lot of questions still on the table. After this meeting her recommendation is that they each go back to their respective jurisdictions, have a discussion in the next month, and reconvene in late July to make a decision about whether they want to move forward together on a plan.

Ms. Reed continued to report that most people felt that the public supports the fire and EMS services they receive and perceive those as good services. Many people observe that the public doesn't know the challenges in delivering that service. The most highly rated idea was the goal of securing a sustainable model for affordable fire and EMS service delivery. The catch is determining what is affordable and what is sustainable. This will be a discussion to work through. Everybody, except one person, placed a strong value on securing opportunities for efficiencies if they move ahead with an RFA. Most of the city-elected officials expressed concern that the efficiencies and cost-savings have not been demonstrated to date to their satisfaction.

Developing a sustainable model for affordable service delivery received the highest score for motivation by everyone that responded. Other important values were: improving service levels and stabilizing service levels through funding over time. Marysville folks did not express concern about the pressure on the City's General Fund, but they did express concern that the current situation was not a sustainable financial situation. In contrast, Arlington expressed a notably stronger concern about the pressure on the City's General Fund. In terms of opportunities for efficiency, pretty much everyone thought it was important to get service efficiencies through regionalization. In terms of governance, most people felt that an equitable structure to the governance board was important. There was no consensus over the issue of local control over fire.

Regarding the overall level of support for creating an RFA, Arlington folks appear to be a little more skeptical of the RFA than the Marysville folks. This may be because the Marysville folks have been at this a little longer in discussions with the District. District 12 commissioners are strong supporters of the RFA, but raised some concerns about the process and potential outcomes. She stressed that she spoke with the fire chiefs several times over the last month. Both fire chiefs strongly support the RFA. They believe it can deliver immediate service level improvements, and over time it will provide a lot of cost avoidance and efficiencies. They both believe that it will take \$2 to adequately support an RFA.

Regarding the process, folks observed that there were some tensions in relationships between Marysville and the Fire District probably mostly due to the last round of RFA discussions which ultimately did not succeed in reaching agreement. There was a general sense that people haven't been able to have a really frank and productive discussion at the table. There is an overall view from most of the elected officials that

the chiefs have not been able to make the case about why an RFA is going to either improve service levels or, over time, provide cost-avoidance or efficiencies.

Regarding governance, city elected officials were divided on the question of local control. There was no consensus on this issue. A strong majority of Marysville and Fire District 12 folks said proportional governance is the right and appropriate outcome. In contrast, Arlington folks never mentioned the issue of proportional representation. Overall, Ms. Reed thinks more discussion with the Arlington folks about what their interests and priorities are around governance is going to be needed. Some of the most frequently used words around the governance issue were: *accountability, communication, transparency, respect, sustainable, efficient, and affordable.*

There is a lot of concern around funding. A small number of people said there needs to be immediate savings or they will not support an RFA. Most folks felt like this needs to be looked at as a longer-term proposition. Most people observed that no matter what funding method they choose, they need to be able to make a case to the public about why that is the right method and what they are going to get from it.

In terms of the funding level, a lot of folks in Marysville, in particular, expressed concern about going to the \$2 funding level (\$1.50 from the fire levy and \$.50 for EMS). The Arlington officials did not express a similar position. They were more focused on the question of sustainable funding. One person from Arlington and one person from Fire District 12 said that they need \$2.

In terms of facilities and services, there were a lot of ideas from people about what they might be able to do to save money, consolidate facilities, or provide better service improvements if there was an RFA. People said frequently that they don't have the data to back their ideas.

Moving forward, Ms. Reed stated that she doesn't think this is impossible, but it won't be easy. There is a lot of skepticism and unanswered questions that need to be worked through. There are some important shared values and shared priorities that they can work on as a foundation for those discussions. The question of sustainable and affordable service delivery would be a good place to start. She recommended looking at internal divergences around the governance issues, funding issues, and service issues that need to happen for people to feel comfortable. The proportional governance issue seems to be fairly well settled with Marysville and the District, but Arlington may need to still sort this out. She suggested that the police and staff really answer questions about efficiencies and service levels. She recommended that each entity discuss the following questions before the next meeting:

- *Is the jurisdiction willing to continue this discussion?*
- *What are values and principles that are most important to your Council and Commission?*
- *What process challenges do you foresee?*

Discussion Questions:

Question 1: *What are your top of mind thoughts about the interview summary just shared?*

- Maryville Mayor Jon Nehring said he appreciated the interview process. He commented that there weren't any great surprises. The only mild surprise from Arlington was the governance issue. He was curious about their thoughts related to this.
- Arlington Mayor Barbara Tolbert commented that there were no big surprises. Arlington simply hasn't gotten to the topic of governance yet. She agrees that there is not a lot of dialogue at the table.
- Arlington Councilmember Jessica Stickles also noted that there were no surprises. The outline seems consistent with the discussions. She agreed that governance hadn't been discussed because they aren't to that point yet. She clarified that they didn't receive this handout prior to the meeting.
- Arlington Councilmember Chris Raezer concurred that there were no surprises and that they were not ready to talk about governance yet.
- Arlington Councilmember Marilyn Oertle agreed with previous comments about governance. She commented that this is so overwhelming it is difficult to even speak about.
- Arlington City Administrator Paul Ellis commented that this is a good exercise. It is promising to see that there is some common ground.
- Marysville CAO Gloria Hirashima agreed that there were no surprises.
- Marysville Fire Chief McFalls commented that the common ground was really revealed here. He spoke to the strong public support, strong expectation for service levels. He didn't think there were any surprises. It boils down to cost, control, and sustainable models.
- Arlington Fire Chief Bruce Stedman commented that he was surprised because he thought they were further apart than they really are.
- Marysville Fire District Commissioner Tonya Christoffersen said she was also surprised that they are as close as they are. Regarding the process, she was surprised about the comments about Marysville and the Fire District tensions. She stated she also left the last meeting feeling like they were all in different ballfields. The conclusion section highlighted some areas that are important to talk about in order to explain to constituents what is in it for them.
- Marysville Councilmember Steve Muller commented that this is what he expected with three organizations trying to merge with their own histories. He agreed that there is consensus because they all have the same concerns about their organizations. The stumbling block is what the RFA will look like.
- Marysville Councilmember Jeff Seibert stated he was surprised by the response by Arlington regarding the governance issues. He recalled differently from the resolution that they sent which said governance would be based upon population or assessed value.
- Arlington Mayor Barbara Tolbert commented that Arlington has felt stymied by the process so far with other topics such as service levels, deliver, cost,

improvements, etc. and hadn't even gotten to the governance issue yet. It just isn't something that is on their radar screen yet.

- Marysville Councilmember Jeff Vaughan expressed appreciation for the summary. He thinks this is a good place to start in moving forward with discussions.

Question 2: *Are there points of agreement that were noted that you think will be important?*

- Marysville Mayor Nehring commented that everyone wants high service levels.
- Arlington Mayor Tolbert asked if they are focusing on a service level approach or a funding level approach.
- Arlington Councilmember Stickles pointed to the desire for a high level of service and wanting to be able to justify the cost
- Arlington Councilmember Raezer agreed with previous comments. He noted they are three very different organizations. He commented that Arlington will be giving up the most because they would be giving up their own fire department to this entity. As far as governance, they haven't gotten to that point yet because they are still figuring out the other items. He is keeping an open mind about this.
- Arlington Councilmember Oertle also agreed with previous comments and added that they all have to feel good about what they get for what they are charging the public for. She is not there yet, but she is open to discussion.
- Marysville Fire District Commissioner Christoffersen commented on the need to be sustainable and affordable.
- Marysville Councilmember Muller agreed with previous comments.
- Marysville Councilmember Seibert referred to sustainability.

Question 3: *Were there any points about disparities that you are concerned about?*

- Marysville Mayor Nehring did not see any, but expressed appreciation to Arlington for their frankness.
- Arlington Commissioner Oertle commented that Arlington has a long history with its fire department, and people are very attached to it.
- Marysville Fire District Commissioner Christoffersen expressed concern that it doesn't seem like they are all on the same page as far as receiving the same information.
- Marysville Councilmember Muller hopes they will have more disagreement because that is how they will ultimately move forward.
- Marysville Councilmember Seibert asked CAO Hirashima if the minutes and other info are available on the website. She affirmed that they are. She also noted that all the information was emailed to everyone at the same time. Regarding the fire district, Councilmember Seibert agreed with Arlington Councilmember Marilyn Oertle that it is a big deal to feel like you are giving up your fire district.
- Marysville Councilmember Vaughan commented that there were similar feelings back when the Marysville Fire District was formed. He believes that the way it was drafted helped Marysville and the District feel good about joint ownership. He thinks it is the same with forming the RFA. He agrees that affordability versus

sustainability would be a good discussion to have. He also thinks it is important to talk about definitions.

- Arlington Mayor Tolbert said she is looking forward to discussions about what sustainability really means. She noted that she hears only positive comments from the citizens of Arlington about the fire and EMS services. She has never received a complaint on service, but feels the pressure of the staff. She is confused by what they mean by "good service levels" and thinks it is hard to have a conversation about having an RFA without understanding what those components are.

Review of Current Fire & EMS Cost and Fund Information

Ms. Reed reviewed the *FD 12 – Marysville – Arlington: Comparative 2017 Expenditures/Levies* spreadsheet contained in the packet and asked for observations.

- Arlington Mayor Tolbert commented that it was helpful to see how comparable Marysville and the Fire District are. This is the first time she has seen some cost effectiveness.
- Arlington Councilmember Raezer noted that this is only telling what each agency is spending, not what they are actually buying. Ms. Reed concurred.
- Marysville Councilmember Seibert asked about the difference between the \$1.87 and the \$2.24. Marysville Fire District Finance Manager Chelsie McInnis reviewed this.
- Marysville Mayor Nehring agreed that it is eye-opening that they are closer than he thought.
- Arlington Councilmember Oertle agreed that they are closer than she thought.
- Arlington Councilmember Muller asked about Arlington's transport costs. Staff replied that it has to do with contracts with the airport. Marysville Fire District Finance Manager Chelsie McInnis added that levy figures are applied to the formula. The assessed value of Arlington is a lot lower so it takes less of an ambulance revenue to create a higher levy.
- Arlington Councilmember Oertle asked if contract revenue would continue. Staff explained they would still have the ability to do the contracts, but that is something the governance board of the RFA would make a decision on.

Ms. Reed noted that this is all good information for her. She commented that if they created an RFA, the levy rate for Marysville and FD-12 people would be the same, and for Arlington people it would be two cents less.

What have other RFA's done?

Ms. Reed reviewed the *RFA Comparison Chart* in the packet and noted that the jurisdictions are very different in almost all categories. She summarized that there is a lot of flexibility in the process.

Side-by-Side Current Operations Data

Marysville Fire Chief McFalls and Arlington Fire Chief Stedman reviewed the comparison of operating budgets, staffing, population trends, total incidents versus total fulltime firefighters, 2016 average response time, 2016 mutual aid data, apparatus and vehicles, and capital facilities. Clarification questions about the details followed.

Marysville Councilmember Seibert commented that by combining the departments they would save money with the mutual aid calls by having only one unit going out. Chief McFalls concurred and further explained how this would improve efficiency.

Marysville Mayor Nehring commented that this is some of the first tangible data they have seen regarding the efficiencies. He pointed out that Arlington would be gaining some things that they don't have right now. He expressed appreciation for this type of data to show the benefits of an RFA. Marysville Chief McFalls concurred and noted that Marysville would also be gaining full time staff that they desperately need.

Arlington Mayor Tolbert pointed out that this information shows that there would be efficiencies and is a great place to start.

Discussion and Direction to Staff:

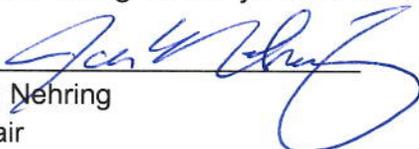
There was consensus to have the jurisdictions confirm in the next few weeks that they want to proceed and then meet in July to dive deeper into questions, concerns, timelines, and definitions.

Arlington Mayor Tolbert asked the chiefs to take a look at the service proposals to see if anything changed by looking at the side-by-side information.

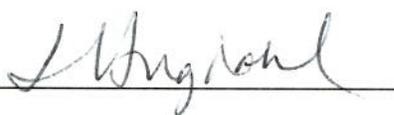
Marysville Mayor Nehring thanked all the staff who worked on all this information. He expressed appreciation to board members and council members.

Adjournment

The meeting was adjourned at 6:40 p.m.


Jon Nehring
Chair


Barb Tolbert
Chair


Recording Secretary