

2021 FD8 BUDGET POLICY RECOMMENDATIONS

DRAFT 2

Executive Summary: this document is intended to provide policy guidance for development of the 2021 District Budget. It is based upon the District's master planning work (Phases I, II and III) and the adopted 2020 District Goals & Objectives (*Section A-2a*) and [2021 Draft District Goals & Objectives \(*Section A-2b*\)](#). Work derived from the master planning and Goals/Objectives is intended to ultimately result in improved Incident Readiness & Response (IR&R) staffing through a major shift of culture for membership, one of consummate training, education, leadership, and teamwork.

Background: Since 2013, part of the budget development process has involved the Board and Fire Chief agreeing upon policy direction prior to developing a detailed financial plan. Some key events that have transpired since our last report in 2019:

- Significant progress was made in implementing the *2017 Strategic Staffing Plan ("Staffing Plan")* to address two primary objectives: 1) provided for consistent round-the-clock staffing for a two firestation deployment model; and 2) solve the current staffing challenges without undermining long-term volunteer recruiting and retention. Progress is continuing in this area. The progress is measured by defined objective for 2020 Goal #1 (*Section A-2a* below).
- The most major impact on the District was the emergence of the SARS-COV2 / COVID-19 pandemic in February and March. After evaluating potential service disruption due to the pandemic, the Board approved an emergency resolution on March 18th to streamline procurement processes. Subsequently, the resolution was revoked on July 14th. A heightened level of preparation for IR&R was conducted for anticipated response demand in March through June, then reduced by some degree after the expected number of emergency cases did not occur. Mandated social distancing restrictions remain in place until the foreseeable future.
- In January, the District and the IAFF Local 2903 agreed upon a new collective bargaining agreement for 2020 through 2022.
- In February, the Board adopted the District's *Training & Education Master Plan*.
- In March, the District implemented staffing changes based upon the *Training & Education Master Plan* and 2020 Goal #3 (*Section A-2a* below); Derek Hall was promoted to Battalion Chief for Training & Safety, and Lieutenants Pawlowski, Zvirzdys and Clowes were assigned to each of three shifts to provide training and support.
- In June, the Board adopted the District's *Community Communications and Risk Reduction Master Plan*. This was the final component of the Phase III master planning process and culminated over four years of work.
- Based upon the District's master plan, in July, the Board agreed upon a six-year (2021-2026) fiscal strategic plan for the Operating, Capital Repairs & Replacements, Reserve and Capital Facilities funds/budgets.
- In August, the District received a final report from the Washington Survey & Rating Bureau (WSRB) on the re-evaluation of its community protection classification (CPC). As of December 2020, the District's CPC shall be improved from a Class 5 to a Class 3.

These events significantly affect the course of actions and assumptions for the District. The following recommendations reflect these actions and are categorized into six areas.

A. Policy

1. Balanced budget: To ensure long-term solvency, the current budgeted expenditures should not exceed the current budgeted revenues and approved supplemental fund transfers. It is estimated that the District is eligible to receive **\$3.4 million** in revenue from property tax in 2021 *[based on currently available data from the Thurston County Assessor]*.

2. Priorities: The District adopted the following Mission and Vision statements:

- The **MISSION** of: *"[being] committed to serve our community with prompt, consistent and professional fire suppression, basic life support, rescue and prevention/preparedness services."*
- The **VISION** of: *"[striving] to meet adopted Target Levels of Service¹ to our community through deployment based on two or more strategically located firestations, staffed round-the-clock with competent responders and equipped with all necessary apparatus and equipment to provide Mission and Value driven services".*
- The **PRIMARY DISTRICT GOAL** is to *"provide customer service consistent with our adopted Target Levels of Service"¹*. In addition, **specific annual goals** and objectives have been established for 2020 (to be updated in 2021):

2a. 2020 Goals & Objectives:

2020 Goal #1: The District shall achieve minimum Incident Readiness & Response (IR&R) staffing levels, as identified in the *District Target Levels of Service* (TLoS) at least 90% of the time on average by January 2021.

- 1) The District shall fill all vacant (*as of October 2019*) full-time career positions by March 2020.
- 2) The District shall provide adequate qualified staffing for a minimum of two Apparatus Driver-Operators for each shift by August 2020.
- 3) The District shall provide adequate qualified staffing for a minimum of one Basic Life Support (BLS) aid car unit for each shift by August 2020.
- 4) The District shall continue to strive to attain 100% staffing for its IR&R targets.

2020 Goal #2: The District shall determine the specifications, receive Board approval, purchase, receive and place-in-service a replacement Type 1 pumper by December 2020.

- 1) A committee will be formed and empowered to produce recommended specifications to the Fire Chief by no later than January 2020. The recommendations shall follow the provisions of the *District Apparatus & Equipment Master Plan*.

¹ **Target Levels of Service** (summary): for fire operations, respond within 10 minutes of receiving the alarm with minimum of 4 qualified personnel; emergency medical operations, respond within 8 minutes if receiving the alarm with a minimum of 2 qualified personnel.

- 2) The District shall procure the replacement Type 1 pumper in a manner consistent with public procurement requirements and prudent fiscal practices no later than October 2020.
- 3) All relevant District Driver-Operators will be qualified to operate the new Type 1 pumper by December 2020.

2020 Goal #3: The District shall implement the first phase of a comprehensive IR&R District training & education program by December 2020.

- 1) The Board shall approve and adopt the *District Training & Education Master Plan* as presented by the Fire Chief by December 2019.
- 2) Consistent with Goal #1, Objective #1, and the adopted *District IR&R Master Plan*, the District will establish and begin delivery of a standardized ongoing training program of basic firefighting and emergency medical services curriculum to each on-duty shift by July 2020.
- 3) The District shall develop and implement the initial phase of a comprehensive officer skills maintenance training program for all existing District officers by September 2020.

2020 Goal #4: The District shall adopt and begin implementation of a comprehensive District public communications program by December 2020.

- 1) The Board shall approve and adopt the *District Community Risk Reduction Master Plan* as presented by the Fire Chief by January 2020.
- 2) The District shall develop and adopt a list of key messages it wishes to convey to its stakeholders by February 2020.
- 3) The District shall identify and implement means and methods for effectively communicating key messages and other information (consistent with the adopted *Community Communications and Risk Reduction Master Plan*) to the public by April 2020.
- 4) The District shall create, distribute, collect and analyze a comprehensive survey of public interest/opinion of key District messages by November 2020.

2b. 2021 Goals & Objectives (Draft):

2021 Goal #1 (Draft): The District shall achieve minimum Incident Readiness & Response (IR&R) staffing levels, as identified in the *District Target Levels of Service (TLoS)* at least 95% of the time.

- 1) **PRIORITY #1:** The Operations -Training & Safety Team, lead by Assistant Chief LeMay, shall ensure qualified staffing for a minimum of two Apparatus Driver-Operators for each shift by December 2021.
- 2) The Operations-Training & Safety Team, lead by Assistant Chief LeMay, will develop a register for the Resident Responder Program, evaluate & select members (for a target level of 6) and implement shift staffing for Station 8-2 (Johnson Point) by January 2022. This objective will depend upon termination of SARS-COV2 / COVID-19 pandemic special precautions.
- 3) The Operations-Training & Safety Team, lead by Assistant Chief LeMay, will continue to strive to attain 100% staffing for its IR&R targets.

2021 Goal #2 (Draft): The District will review the Capital Repairs & Replacement (CR&R) Plan and Budget to optimize apparatus and major equipment replacement schedule (to better conform with recently adopted master plans).

- 1) The Facilities & Equipment Team, lead by Chief VanCamp, will review the Plan and provide recommendations for changes to Chief VanCamp by March 2021.
- 2) Chief VanCamp will provide a proposed amendment to the CR&R Plan and Budget to the Board by June 2021.
- 3) The Facilities & Equipment Team, lead by Chief VanCamp, will ensure projects approved for 2021 be initiated and implemented as soon as possible (based on each project's schedule).
- 4) By August 2021, the Operations-Training & Safety Team, lead by Assistant Chief LeMay, will ensure all relevant District Driver-Operators will be qualified to operate the replacement Type 1 engine (currently scheduled for delivery in June 2021).

2021 Goal #3 (Draft): The District will continue to implement the provisions of the IR&R District Training & Education Program.

- 1) **PRIORITY #2:** The Operations-Training & Safety Team, lead by Assistant Chief LeMay, will develop and implement the initial phase of a comprehensive officer skills maintenance training program (in addition to the existing Officer Development Program) for all existing District officers by June 2021.
- 2) **PRIORITY #3:** By September 2021, the Operations-Training & Safety Team, lead by Assistant Chief LeMay, will review the current volunteer recruitment, evaluation, selection, orientation and initial training process with respect to:
 - a. Ability to meet IR&R staffing requirements;
 - b. Durability from diminishing applicant pools, increasing job performance requirements, need for supervision & mentoring and economic, social and health (i.e. pandemic) conditions; and
 - c. Incentives to increase retention.
- 3) The Operations-Training & Safety Team, lead by Assistant Chief LeMay, will evaluate the current District Officer Development Program and provide a recommendation for any modifications to Chief VanCamp by December 2021.

2021 Goal #4 (Draft): The District will reach out and inform its citizens and customers through an ongoing public communications program.

- 1) The Executive Team (Chief VanCamp, Assistant Chief LeMay, District Secretary Stumpf) will develop and communicate "subjective" messages focusing on "who we are" and "what our mission is" by March 2021.
- 2) The Executive Team will develop and communicate "objective" messages focusing on direct and indirect impacts/benefits ("outputs") to citizens by June 2021.
- 3) The Executive Team will develop and communicate "objective" messages focusing on District resources (people, capital assets, practices) and business efficiency/effectiveness ("inputs") by September 2021.

- 4) The Executive Team will develop and communicate “subjective” messages focusing on customer expectations and District strategic direction and overall “outcomes” by December 2021.

3 Community Risk: While the District has not conducted a formal community risk assessment, it has participated in several community wide efforts that help to establish a basic portrayal of the District’s hazards. A significant emergence of the wildland and wildland-urban interface (W/WUI) fire threat in Thurston County has caused the District to undertake mandatory W/WUI firefighting training for all fire IR&R staff.

B. Revenue

4. Property tax revenue: I recommend that the Board request a property tax levy of \$3.4 million in 2021, approximately \$225 thousand more than in 2020. This figure also depends upon the final total assessed valuation of the District [based on currently available data from the Thurston County Assessor]. Booked new construction value for 2021 is \$2.1 million, revenue which is calculated at the 2020 levy rate of \$1.50 per thousand of assessed valuation.

5. Capital Repairs & Replacements Fund (CR&R--Fund 6681): I recommend that the District allocate \$286,000 to the CR&R in 2021 as planned for. Based upon the 2019 adopted an *Apparatus & Equipment Master Plan* and the updated (2020) CR&R schedule/budget plan, the 2021 schedule/budget will serve as guideline for 2021 capital expenditures. In 2021, staff will continue to review the CR&R schedule/budget for refinement based upon the 2020 fiscal planning strategy. Capital expenditures are highlighted in *Section F Capital* below.

Likewise, staff continue to evaluate maintenance and operations practices for facilities, apparatus and equipment to 1) maximize asset life and mission reliability, 2) establish cost benefit analysis for replacement cycles and 3) establish overall asset values for planning purposes.

6. Reserve Fund (Fund 6683): District Policy 1-60 “District Funds & Budgets” provides that the fund “...maintain an approximate level of funding for four-months of general operations...” The District has not needed to draw upon this fund since November 2006. The funds balance entering 2021 will be approximately \$1.3 million. I recommend the District evaluate the average cash balance of the Operating Budget Fund and determine if the current level of targeted reserves in both funds are necessary to cover [potential] financial risk.

7. Capital Facilities Project Fund (Fund 6685): I do not recommend allocating any additional funds to the Capital Facilities Projects Fund in 2021. Based upon the 2019 adopted an *Apparatus & Equipment Master Plan* and the CR&R schedule/budget plan. These funds may be used to help balance annual revenues-expenditures for Operating Fund 6680 as well as approved capital projects as highlighted in *Section D Projects* and *Section F Capital* below.

C. Staffing

8. Volunteer staffing: The 2017 Staffing Plan provides for “...an appropriate initial fire [and EMS] response resources (Type 1 Pumper staffed with minimum of 2 qualified [responders]) at each firestation...” at both

Stations 8-1 (South Bay) and 8-3 (North Olympia). This vision is better defined in the *IR&R Master Plan* and Draft 2021 Goal #1 Objectives #1 and #3.

Draft 2021 Goal #3 Objective #2 (*Section A-2b*) addresses the continual review of current volunteer staffing practices, and as **PRIORITY #3**, should help identify ways to improve volunteer recruitment and retention. Continued emphasis has been applied to a) preparing new members with the required skills necessary to respond (i.e. EMT certification, completion of FF1 standards for firefighting, certification as driver-operator on apparatus), b) providing adequate supervision and mentoring of new members by more seasoned District members and c) continual “churn” of existing members out of the roster limited the overall growth of numbers in 2020. An area of special focus has been “growing” adequate numbers of qualified driver-operators (Goal #1, Objective #1).

Implementation of a new resident responder program to help improve Johnson Point service on an interim basis was placed on hold with the SARS-COV2 / COVID-19 pandemic. Basic improvements to the resident facility at 5501 63rd Ave NE were conducted to provide a safe location for District members who may need to be quarantined or isolated. When it is determined that the pandemic is at a stage where these precautions are no longer necessary, continued work on establishing a roster of resident responders will commence.

9. Incident Command: The senior IR&R leadership, or “Operations Team”, consists of all chief officers (Fire Chief, Assistant Fire Chief and five Battalion Chiefs). This team is responsible for oversight and management of on-duty responders, and, act as general counsel for operational policy, procedures and attendant training needs. An on-duty Battalion Chief is the senior representative for emergency operations and provides coordination, command and control for incident response.

10. Daytime IR&R strategy--volunteer staffing: Daytime periods are defined as Monday through Friday, 06:00 to 18:00 (regardless of holiday falling during weekdays). The District will continue efforts for motivating volunteers to staff daytime shifts.

11. Daytime IR&R strategy--career staffing: In 2020, an average of two career Lieutenants and four career Dayshift Firefighters (represented by IAFF Local 2903) will provide the core of the daytime IR&R coverage. On-duty chief officers generally provide battalion-level response duties and augment primary response as necessary. This will allow an average of 2 to 3 responders to be available for call at both Station 8-1 and 8-3.

12. Night/Weekend IR&R staffing: As a result of the 2017 Staffing Plan, in 2020 three career Lieutenants were assigned to 24-hour shifts to augment volunteer IR&R staff, primarily to provide training and supervision. This will help address the critical shortage of company level officers and push ahead on the aggressive training program called for in Phase I master planning. Draft 2021 Goals #1 and #3 address proposed improvements to IR&R staffing levels.

13. Volunteer stipends: The FD8 Volunteer Stipend Rates were last updated for 2020. I recommend that a 0.9% cost of living adjustment be made in 2021 to the current rates, based on Consumer Price Index for all Urban Consumers, Seattle-Tacoma-Bremerton, measured from June 2019 to June 2020.

14. Career salaries & benefits: Bargaining unit employees' salaries and benefits are defined under the current collective bargaining agreement.

D. Projects

15a. Training Center: The District's *Training & Education Master Plan* will drive any capital improvements made on the facility. As part of the six-year (2021-2026) fiscal strategic plan, it is planned to allocate \$48,500 from the Capital Facilities Budget (Fund 6685) for the first phase of a three phase (2021-2023) project plan.

15b. District Residence: The District's *IR&R Master Plan* will drive any capital improvements made on the facility. As part of the six-year (2021-2026) fiscal strategic plan, it is planned to allocate \$34,500 from the Capital Facilities Budget (Fund 6685) for the second phase of a three phase (2020-2022) project plan.

15c. North Olympia Station 8-3: The District's *IR&R Master Plan* and *Facilities & Deployment Master Plan* will drive any capital improvements made on the facility. As part of the six-year (2021-2026) fiscal strategic plan, it is planned to allocate \$131,450 from the Capital Facilities Budget (Fund 6685) for the first phase of a four phase (2021-2024) project plan.

16. Deployment strategies: The *Final Report of Phase II Master Planning* defined eight objectives, four of which have been completed. The remaining four include:

- 1) Continue implementation of IR&R staffing improvements to support consistent two-station staffing as per the staffing plan conditionally adopted July 2017 and Draft 2021 Goal #1. This includes implementation of a new resident program to help improve Johnson Point service on an interim basis (*see Section C-8*).
- 2) Ongoing: actively inform and dialogue with community members regarding the issues related to this Plan through newsletter articles, website postings, formal public meetings, informal local community meetings and other proactive means. This is prescribed by Draft 2021 Goal #4.
- 3) Regularly, at least annually, review and evaluate the planned and actual levels of IR&R staffing and actively assess public support for implementing this facilities plan. This is prescribed by Draft 2021 Goal #4.
- 4) When the Board of Fire Commissioners determines that a) two-station staffing is consistent and sustainable and b) there is sufficient public support, it will initiate efforts to fund, acquire land, and build a new fire station centrally located on the Johnson Point peninsula and upgrade the North Olympia station.

E. Operations

17. Training & Education: Consistent with the *Training & Education Master Plan*, primary emphasis will continue to be on 1) training and certifying adequate numbers of Apparatus Driver-Operators (Draft 2021 Goal #1, **PRIORITY #1**), 2) development and implementation of an ongoing skills maintenance training program for all District officers (Draft 2021 Goal #2, **PRIORITY #2**), 3) maturation of a company officer level Officer Development Program ("ODP"), 4) growing the ongoing skills maintenance training delivery

system, including dedicated staff (24-hour scheduled career Lieutenants) for training delivery, for all District IR&R personnel, 5) integration of W/WUI doctrine into the initial and ongoing skills maintenance training, and 6) development of a chief level ODP program.

I recommend that the District continue to support the Thurston County Fire Chiefs' Association Training Cooperative format for a county-wide training system. Furthermore, I continue to commit the support of Battalion Chief Hall toward the Thurston County Training Officers' Committee to actively influence the efforts of the Cooperative and overall fire service training doctrine in the county. The District will also continue to work closely (at all levels) with Thurston County Medic One to ensure adequate access for initial and ongoing EMT skills training that meets the District's IR&R staffing mission. Due to the SARS-COV2 / COVID-19 pandemic, both academies must practice under a hybrid format of distance-learning and small group skills practice participation for the foreseeable future.

18. Contracts and agreements: I recommend we continue to pursue diligent management of contracts with the best terms we can obtain. I recommend that we continue to contract for key services such as IT maintenance, apparatus & vehicle maintenance and other operations & maintenance work of a nature that is not reasonably achievable by in-house staff. Refer also to *Section F-20 Maintenance & Operations* below.

F. Capital

19. CR&R Plan: As noted in Goal #2 and the adopted CR&R Plan and Budget, primary focus will be on 1) determining any modifications for apparatus and major equipment replacements in Draft 2021 Goal #2 Objectives #1 and #2, 2) replacement of aggregate facilities assets & components for a value up to \$125k, and 3) replacement of aggregate equipment assets and components for a value up to \$56k.

20. Maintenance & Operations: Integration of District asset inventory, maintenance & operational, and capital planning information will continue in 2021. This is important to identify assets that may be costing more in maintenance than they are worth, provide important warnings on impending costly failures, predict future operating and capital costs and allow for better cost benefit analysis for budgeting. District facilities are a primary target of this work with key focus on energy use and costs.

With the new deployment of IR&R career staff, two new positions for Dayshift Lieutenant have been established: one for equipment maintenance & operations (Lt Osborne) and one for facilities maintenance & operations (Lt Mahoney). They both report to Battalion Chief McBride, who oversees the overall District asset management program.

- Apparatus fleet maintenance will continue to be provided by the City of Olympia under contract. They have provided a high-quality service placing our vehicles in an improved state of mission readiness. In 2020, a replacement Type 1 engine was ordered from Pierce Manufacturing for delivery in June of 2021.
- Contract maintenance of facilities systems (e.g. HVAC, water treatment, fire protection & security systems, electrical/electronic controls) and exterior vegetation management services are expected to continue to be used. Staff oversight of these services will ensure that their value is beneficial and cost

effective. Where practical, contract services that can be handled by in-house staff (i.e. on-duty IR&R personnel, staff assigned functions, etc.) will be evaluated and terminated.

21. Stations: Stations 8-1 (South Bay) and 8-3 (North Olympia) have been identified as the primary firestations in the District (*Section IV-16*). Station 8-2 (Johnson Point) has been identified as needed for [interim] coverage staffing with primary resident responder personnel.

22. Fleet: I recommend the District maintain one certified Type 1 engine (with BLS capability), one certified Type 2 tender and one ambulance-type BLS aid unit at each of Station 8-1 and 8-3 as the two primary response firestations in 2021. I further recommend one certified Type 1 engine (with BLS capability) and one certified Type 2 tender be located at Station 8-2 (staffed by resident responders).

In addition to the above vehicles, I recommend a fleet inventory of a minimum of one back-up Type 1 engine (fully functional), one back-up Type 2 tender (fully functional), one SUV-type vehicle for the on-duty command officer ("Battalion 8"), one comparably equipped back-up command vehicle and one or more emergency response capable general-use passenger vehicles as needed for staff duties.

Vehicle	Assignment:	Life:	Condition:	Replacement:
3120-2006 Ford Expedition SUV	Utility	15 years	Poor	Due
3122-2006 Ford F-350 Pickup	Utility	15 years	Fair	Due
3123-2000 Ford E-450 Ambulance	Sta 8-3	15 years	Poor	5 years past
3124-1996 KME Spartan Type 1 Engine	Reserve	20 years	Poor	4 years past
3126-2010 Kenworth-Fouts Type 2 Tender	Sta 8-3	20 years	Good	10 years
3127-2010 Kenworth-Fouts Type 2 Tender	Reserve	20 years	Good	10 years
3129-2005 Ford F-350 Pickup	Sta 8-1, Brush	15 years	Fair	Due
3130-1996 Pierce Type 1 Engine	Sta 8-3	20 years	Fair	4 years past
3131-1993 Pierce Type 1 Engine	Sta 8-2	20 years	Fair	7 years past
3134-2009 Kenworth Fouts Type 2 Tender	Sta 8-1	20 years	Good	9 years
3135-2005 Kenworth Fouts Type 2 Tender	Sta 8-2	20 years	Good	5 years
3136-2015 Pierce Type 1 Engine	Sta 8-1	20 years	New	15 years
3137-2009 Chevrolet Tahoe SUV	Command	15 years	Good	4 years
3138-2010 Chevrolet Tahoe SUV	Command	15 years	Good	5 years
3500-2019 Ford E-450 Ambulance	Sta 8-1	15 years	New	13 years