

Ross Valley Fire Department
Future Governance Leadership

June 7, 2023

LMS
Local Motion Solutions

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Overview

This report was developed by Local Motion Solutions to assist the Ross Valley Fire Department (RVFD) in evaluating options for managing the agency. This was brought about by the expiration of the contract for services with the Marin County Fire Department. Because Marin County Fire Department has chosen not to renew the contract for services with Ross Valley Fire Department, the Board needs to develop a plan for the agency's management for the future.

RVFD has requested that Local Motion Solutions provide pros and cons and other considerations of six potential management solutions for the future.

The Board should note that some of the options may not be implemented by the time the contract with Marin County Fire Department expires. This may require the RVFD to explore short-term options as a bridge to get to the desired model. The MOU for administrative and executive services with the Marin County Fire Department terminates on July 1, 2023.

Although the Ross Valley Fire Department Board had requested the pros and cons of each option, not all the options are mutually exclusive. For example, RVFD may opt to go with a District model but at the same time rehire a Fire Chief and move forward with a standalone Fire Department. Another option is to opt for the District model but choose to enter into a Joint Powers Authority.

The Board has two separate actions that it needs to make in its effort to move forward. The first is determining which governance model to pursue. Because the Ross Valley Fire Department serves four different agencies, there are two options, a District or a Joint Powers Authority. Each of these is discussed in greater detail later in this report.

The second action is to determine how to manage fire services. This can be a contract for services, Joint Powers Agreement, Joint Powers Authority, or returning to a standalone fire chief model. Each of these options is discussed in greater detail later in this report.



History of the Ross Valley Fire Department

Historically, the towns of Fairfax, Ross, and San Anselmo each had their own standalone fire department. The Sleepy Hollow Fire Protection District (SHFPD) formed in 1949 and had a long-standing contract with the Town of San Anselmo for fire protection services. The Towns of San Anselmo and Fairfax merged their two departments in 1982 into a joint powers agency, creating the Ross Valley Fire Department. Prior to the JPA, each agency had its own fire chief. The new agency would operate under a single fire chief. Service to Sleepy Hollow continued under the contract with the Town of San Anselmo. In 2010, the JPA was expanded to make SHFPD a full member of the JPA, ending its contract for service with the Town of San Anselmo. In 2012, the Town of Ross, which had been under contract with the Ross Valley Fire Department for Battalion Chief staffing coverage, became a member agency of the Ross Valley Fire Department Joint Powers Agreement.

The Ross Valley Fire Department is governed by an eight-member board that is comprised of two designees from each of the four participating agencies. The Town Councils of Fairfax, San Anselmo, Ross, and the Sleepy Hollow Fire Protection District Board of Directors annually designate two voting members to sit on the RVFD Board. Additionally, each entity has an alternate designated to serve in their place in the event of a scheduling conflict.

The RVFD Board of Directors oversees policy adoption, approving an annual budget, and setting fees for services, among other things. Any of the following changes require a unanimous vote of the full Board; Changes in the member agency's cost-sharing percentage, revision of the adopted budget that results in an increase in the annual member's contribution, any change to fire station service levels, or approval of any single expenditure in excess of 3%.

Management Leadership

RVFD receives administrative oversight from an Executive Officer (currently the Town Manager of San Anselmo). The Executive position is appointed by the Town Managers of Fairfax, San Anselmo, and Ross. The Board of Directors appoints a Fire Chief for operational oversight. The Fire Chief reports to the Board through the Executive Officer.

The current Fire Chief is the Marin County Fire Chief, whose services are currently rendered through a memorandum of understanding (MOU) with the Marin County Fire Department (MCFD).

The MOU also provides the Department with the services (when necessary) of the Deputy Chief-Operations, Deputy Director of Fire, Fire Marshal, Battalion Chief-Wildfire Protection, Battalion Chief (Training), Battalion Chief (EMS), Administrative Services Manager, Administrative Services Associate, and other MCFD staff as determined necessary by the MCFD.

Under this shared services agreement, RVFD pays 30% of the total cost of the Fire Chief's services to the MCFD, as well as varying lesser percentages for the other previously mentioned positions.

Other services provided to RVFD by MCFD include management and oversight for financial services and administration, managing human resource functions, providing management and general oversight of the Department's community risk reduction programs, providing management and general oversight of the Department's Emergency Medical Services (EMS) program, and providing general coordination of the Department's training program.

The current staffing level is 33 Full-Time Equivalent (FTE) employees. The MOU for administrative and executive services with the Marin County Fire Department terminates on July 1, 2023.

The RVFD is seeking options for a succession of the MOU which could include multiple scenarios that require research and ultimately policy options, to be presented to the RVFD Fire Board. The RVFD is proposing a phased approach to gather information, compile and narrow options, and present RVFD Board with several policy considerations.



Summary Of Scope of Work

Ross Valley Fire Department appointed Local Motion Solutions, LLC to conduct a Fire and Emergency Services Governance study to include a high-level assessment of:

1. The existing emergency service levels.
2. The service delivery cost-effectiveness of the six broad approaches to organizing the delivery of fire services and a discussion of the appropriate governance arrangements as alternatives to the present situation:
 - a. Independent District
 - b. Dependent District
 - c. Contract For Services
 - d. Joint Powers Agreement
 - e. Joint Powers Authority
 - f. Stand Alone Fire Department
3. A gap analysis to determine where the existing revenue structure can or cannot support the existing and improved service levels and a summary discussion of available fiscal approaches to closing the fiscal gap.
4. The study was designed to provide options for the parties to consider that will most effectively organize the delivery of fire services and achieve the following objectives:
 - a. Stabilize existing services.
 - b. Maintain what is working well.
 - c. Expand partnerships to gain economies of scale.
 - d. Broadly identify the next steps depending on the policy options chosen.

Executive Summary

It is important to note there are no mandatory federal or state regulations directing the level of fire service a department must provide. What is required is that the Ross Valley Fire Department Board provide fire services with the safety of the firefighters and community as its primary objective. Given this requirement, the Ross Valley Fire Department is now charged to choose a Governance model that meets the goal to staff, train, and equip an effective fire service across four neighboring communities.

Local Motion Solutions finds the costs associated with providing fire services are only rising. The challenges to sustain small Fire Departments are not exclusive to the Ross Valley Fire Department, as it is a challenge most small fire departments are facing statewide. The goals are similar, and that is providing the highest level of fire services based on the financial resources available. Each of the four agencies needs to balance the competing needs of the community with limited financial resources against what we now find as a year-round threat.

Outreach

Local Motion Solutions provided extensive outreach to various stakeholders. Local Motion Solutions conducted over 45 informational and Q & A meetings. This included meeting with LAFCO's Executive Director, Ross Valley Firefighter's Association, Marin Professional Firefighter's Association, and individually with each Town Council member and Town Manager. In addition to meeting with the stakeholders, Local Motion Solutions met with the neighboring Fire Chiefs, including San Rafael Fire, Kentfield Fire, Central Marin Fire, and Marin County Fire. It should also be noted that Local Motion Solutions presented regular updates to the RVFD Board of Directors at their regularly scheduled public meetings and presented the draft report to the three Town Councils (Fairfax, Ross, and San Anselmo) at their regularly scheduled Council meetings.



Revenue and Future Expenses

The current revenue structure should be reviewed as long-range planning continues. The Board is working towards staffing each engine company so that there are three firefighters on every engine versus the current staffing level of two.

This increased staffing level comes with ongoing expenses.

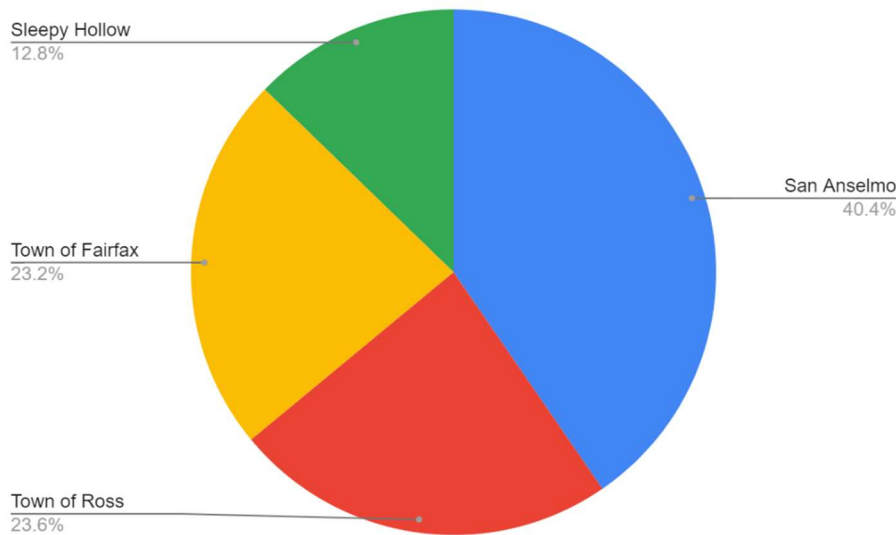
Re-assignment of personnel from the closure of Station #18 in Ross will absorb some of the expense. However, additional sources of revenue are needed to ensure the firefighters are working in safe and operationally effective facilities.

There is also a need to address the immediate upgrades to bring the Fire Stations into code and equipped with modern living facilities. In addition, long-range funding needs to be explored to address significant remodeling of the three fire stations, each with different upgrades required at Stations #19 (San Anselmo), #20 (Sleepy Hollow), and #21 (Fairfax).

The overall General Fund Budget for Ross Valley Fire Department as projected in 2021-22 is \$12,058,636 and the cost allocation per the four agencies is as follows:

Total Budget Allocation Per Agency FY 2021-22:

Agency	Fire Budget	% of Allocation
San Anselmo	\$3,739,735	40.53%
Town of Ross	\$2,183,012	23.37%
Town of Fairfax	\$2,149,921	23.30%
Sleepy Hollow	\$1,181,073	12.80%
Total	\$9,253,741	100%



Marin County Fire Administrative Budget & Allocation Per Agency:

Agency	Fire Budget	% of Allocation
San Anselmo	\$132,865	40.53%
Town of Ross	\$76,611	23.37%
Town of Fairfax	\$76,381	23.30%
Sleepy Hollow	\$41,961	12.80%
Total	\$327,818	100%

Governance vs Leadership/Management

In addition to the everyday challenges of providing fire services, the Ross Valley Fire Department faces a new challenge: transitioning from the Marin County Fire's leadership and moving to a new leadership structure by July 1, 2023. Local Motion Solutions evaluated all aspects of the six governance options. All options are presented with pros and cons.



It is important to understand that not all options are mutually exclusive. For example, the Department may opt to go with a District model and a standalone Fire Chief model. It may also remain a Joint Powers Authority and enter into a Joint Powers Agreement with other agencies. As a result, the Board has two separate decisions:

Governance

How is it funded and managed politically?

- Independent District
- Dependent District
- Joint Powers Authority (current agencies)
- Joint Powers Authority (additional agencies)

Leadership/Management

How is it managed, led, and organized?

- Contract for Service
- Joint Powers Agreement (shared Services)
- Joint Powers Authority (additional agencies)
- Stand Alone Fire Agency

It should be noted that some of the options may not be implemented by the time the contract with Marin County Fire Department expires. This may require the RVFD to explore short-term options as a bridge to get to the desired model.

In this report, Local Motion Solutions highlights what we believe to be the first step in a multi-step process.

Fire Services Governance

There are two fundamental governance models. The first is the creation of or annexation into a single District with a single board of directors. As shared in more detail below this could be with either an Independent District or a Dependent District. This is the most stable form of governance but not as common because the Town Councils of separate municipalities prefer their communities to maintain local fiscal and policy control.

The second model is a Joint Powers Authority. When local government agencies seek to provide consolidated services and yet want to retain a greater measure of fiscal and operational oversight than a single enlarged District would allow, they usually turn to the creation of a Joint Powers Authority.

Joint Powers Authority vs Special District

	Joint Powers Authority	Special District
Legal Authority:	Section 6500 of the California Government Code	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act)
Formation:	Joint exercise of powers agreements	LAFCO approval and Board/Council or voter approval
Governance:	Determined by the JPA's member agencies	Governing Board (elected/appointed)
Services:	Any common powers	Only what state law allows

Overview of Options

Independent District

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) establishes procedures for local government changes of organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

An Independent Fire District is a financially and politically separate government agency.

"District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside district boundaries when authorized by the commission pursuant to Section 56133 of Reorganization Act of 2000.

A fire district board may be elected "at large" or elected to represent a geographical area.

Examples of independent fire districts in Marin

Fire District	Area Served
Kentfield Fire Protection District	Kentfield and unincorporated Greenbrae
Novato Fire Protection District	City of Novato and surrounding unincorporated areas (Ignacio, Black Point, Green Point, Bel Marin Keys, Atherton)
Southern Marin Fire Protection District	City of Sausalito, ¼ Town of Tiburon, Unincorporated area surrounding Mill Valley (Tamalpais Valley, Almonte, Homestead Valley, Alto, Strawberry) Marin Headlands, Fort Cronkhite, Fort Baker, Fort Berry by contract with NPS *There is currently an application to LAFCO for the annexation of the City of Mill Valley into the district

Independent District - Two Options

There are two options for an independent district model for Ross Valley. The first is the creation of a completely new district.

The second option is to use the existing Sleepy Hollow Fire Protection District as the base agency and for each Town to be annexed into the existing district. Either option would require an application to Marin LAFCO (Local Agency Formation Commission).

To create a Ross Valley Fire District, each town council would have to vote to move forward with the application process for the formation of a new district or to be annexed into the Sleepy Hollow Fire Protection District.

While not optimal, it is possible to create a District without all the current members of the RVFD being in the new district. This would require renegotiation and rewriting of the existing JPA. This would have to include a plan for dealing with retirement liabilities and OPEB (Other Post-Retirement Employee Benefits).

The expansion or creation of any district would have to be approved by LAFCO. The application to LAFCO can be a lengthy process and would likely not be concluded by the end date of the contract with the Marin County Fire Department. The application would include a pre-application meeting with LAFCO to discuss the process and required components of the application. The process would include the application itself, plan for services, legal boundary description, potentially GIS data, CEQA compliance (likely to be CEQA exempt), fiscal impact report, illustrative maps, a sphere of influence amendment, and application fees.

The plan for services would have to include how the new district would be funded. The only realistic option would be a tax transfer from the existing towns to the new Fire District. The amount of the tax transfer would be approximately the current cost borne by the agencies.

Towns would no longer be responsible for fire protection.

Pros

- The ability of the Fire District to address its own responsibilities and remain autonomous.
- Elected representatives make up the Board of Directors.
- Budget is independent and no longer part of the Town budgets.
- Property Tax shift is negotiated.
- Current "islands" in the Ross Valley Area could be included.
- Future cost is no longer a strain on the Town budgets.

Cons

- Lack of Town Council Oversight (loss of local control).
- The shift of Property Tax (most stable Town revenue).
- Disconnected from individual Town services.
- Focus on the creation of a District may distract from the pursuit of other models that may provide a greater immediate financial benefit.

Cost

- The cost for an Independent District is directly tied to the type of leadership Model the future RVFD employs.
- Given a specific leadership model, the cost to maintain the current governance versus a district will likely be very similar.

Dependent Fire District

A Dependent Fire district is financially separate but politically subservient.

A dependent special district includes any special district that has a legislative body that consists, in whole or part, of ex officio members who are officers of a county or another local agency.

All the same laws (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000) apply to a Dependent District, just as an Independent District.

The creation of a Dependent District would also follow the same LAFCO procedure.

Dependent District – Examples of Dependent Districts in Marin

District	Area Served/Board Makeup
Marin/Sonoma Mosquito Abatement District	Marin County, Sonoma County, every city or town in Marin or Sonoma Counties. Supervisors and town/city council members
Golden Gate Bridge District	San Francisco, Marin County, Sonoma County, Napa County, Mendocino County, and Del Norte County. Combination of Board of Supervisors and Appointees.
Marin County Open Space District	Marin County Board of Supervisors serves as the MCOSD Board.
CSA 19 (Unincorporated islands, San Rafael)	Marin County Board of Supervisors
CSA 31 (Unincorporated islands, Marin)	Marin County Board of Supervisors

There are no dependent districts in Marin that are actual fire agencies. However, there are two County Service Areas that provide funding to existing fire agencies.

The process for creating a dependent district is the same as in an Independent District, A plan for services would have to include how the new district would be funded. Again, the only realistic option would be a tax transfer from the existing towns to the new Fire district. The amount of the tax-transfer would be approximately the current cost borne by the agencies.

The District Board would be appointed by the individual agencies.

Fire examples: Contra Costa County Fire, Alameda County Fire, Santa Clara County Fire, and South Santa Clara County Fire.

Pros

- The ability of the Fire District to address its own responsibilities and remain autonomous.
- Budget is independent and no longer part of the Town budgets.
- Property Tax shift is negotiated.
- Current "islands" in the Ross Valley Area could be included.
- Future cost is no longer a strain on the Town budgets.
- Town Councils appoints Board representatives.

Cons

- Board focus is not independent of the individual agencies.
- The shift of Property Tax (most stable Town revenue).
- Disconnected from individual Town Services.
- Focus on the creation of a District may distract from the pursuit of other models that may provide a greater immediate financial benefit.

Cost

- The cost for a Dependent District is directly tied to the type of leadership Model that the future RVFD employs.
- Given a specific leadership model, the cost to maintain the current governance versus a district will likely be very similar.

Proposition 13

Although Prop 13 set the tax rates for each of the three towns and the SHFPD, it would not influence a potential property tax shift. The amount of tax shifted is based on the funds needed for the successor district to provide service to the given area.

JPA's - Joint Powers Agreements or Joint Powers Authority

Section 6500 of the California Government Code allows public agencies to enter into joint powers agreements and joint powers authorities.

Joint Powers Agreement

A Joint powers agreement consists of two or more agencies sharing or exercising common powers. Each agency continues to maintain independence for providing the service. Employees continue to work for the original agency. This should not be confused with a joint powers authority, such as the Ross Valley Fire Department.

Joint powers agreements may also be referred to as simply *shared services* or a *shared services agreement*. This enables agencies to share any services that both can provide legally. This allows the agencies to utilize personnel or resources to greater advantage by eliminating duplication of services.

This differs from a contract for service in that both agencies put resources or services into the agreement. As an example, one agency may put in management services while another agency puts in battalion chief coverage. It's up to the two agencies to determine what is fair and equitable between them. Sometimes it may also involve payment to cover an imbalance in resources put into the joint powers agreement. Examples of this are many and varied throughout Marin (see below).

One of the difficulties in shared services agreements or joint powers agreements is that there is not a single governing body overseeing the provision of service. Direction often relies on a committee with limited authority or *ad hoc* agreements between the two agencies. Over time, these understandings between the two agencies can drift or change. Because the agencies are separate, it can be difficult to focus on long-range planning and long-range capital outlay. Each agency still maintains its own budget, employees, and policies. Because employees work for separate agencies, there may be misunderstandings about the chain of authority, priorities, allegiances, and the mission of the organization. This can lead to difficulties with employee discipline, collective bargaining, working conditions, and benefits.

Joint powers agreements are good for sharing a single service or function within an organization, or as a bridge to get to another governance model, such as annexation, a full contract for service, or a joint powers authority. Joint powers agreements should not be used as a permanent replacement for any of those.

Examples of Joint Powers Agreements in Marin

Agencies	Services Shared
Southern Marin fire protection District City of Mill Valley	<p>Currently, the SMFPD and the MVFD operate a single fire department under a Joint Powers Agreement.</p> <p>As noted earlier in this report, the City of Mill Valley and the Southern Marin Fire Protection District currently have an application with LAFCO for the annexation of the City of Mill Valley into the Fire District.</p>
Central Marin Fire Authority Kentfield Fire Protection District	<p>The CMFA and the KFPD share battalion Chief coverage for the two service areas with CMFA covering two shifts and KFPD covering one shift.</p>
City of San Rafael Marinwood Community Services District (Marinwood Fire Department)	<p>SRFD and MCSD share initial response resources with Marinwood providing first-due response to city areas and San Rafael providing Battalion Chief Coverage.</p> <p>*Under separate agreements, San Rafael provides a Fire Chief and Fire Prevention services.</p>

Joint Powers Agreements

Pros

- Joint Powers Agreements are flexible and easy to form.
- Joint Powers Agreements are effective for sharing limited services or as a bridge to get to a more permanent agreement.
- Any government agency can participate in a Joint Powers Agreement.
- Member agencies may negotiate their levels of commitment.
- It allows agencies to essentially trade services or resources.
- It's up to the agencies to determine what is fair and equitable between them.
- Sometimes it may also involve payment to cover an imbalance in resources put into the Joint Powers Agreement.
- Joint Powers Agreements may be canceled without significant unwinding.

Joint Powers Agreements

Cons

- There is not a single governing body overseeing the provision of service.
- Direction often relies on a committee with limited authority or ad hoc agreements between agencies.
- Over time, understandings between the two agencies can drift or change.
- Each agency still maintains its own budget, employees, and policies.
- Because the agencies are separate, it can be difficult to focus on long-range planning and long-range capital outlay.
- Because employees work for separate agencies, there may be misunderstandings about the chain of authority, priorities, allegiances, or the mission of the organization. This can lead to difficulties with employee discipline, collective bargaining, working conditions, and benefits



Central Marin Fire

Central Marin Fire has expressed interest in a joint powers agreement as a potential bridge to a joint powers authority. No other agency expressed an interest in participating in a joint powers agreement.

A joint powers agreement or authority with Central Marin Fire presents the only opportunity which is either cost-neutral or a potential opportunity for savings.

Central Marin Fire and Ross Valley Fire are similar agencies, both agencies are joint powers authorities serving small municipalities. Each agency has four stations and a similar management structure.

We have worked with the management staff of Ross Valley Fire and Central Marin Fire to create a possible organizational structure and potential cost for the structure.

It should be noted that this is a hypothetical structure, and costs represent a high-level look at potential costs.

Current Staffing RVFD and CMFD vs Potential Staffing of a Combined Agency

Position	CMFD	RVFD	Combined	Combined Agency
Fire Chief	1		1	1
Dep Chief		1	1	1
Batt Chief (Shift)	2	2	4	2*
Batt Chief (Admin)	1		1	3*
Total Chief Officers	4	3	7	7
Inspector	1	2	3	3
Wildfire Hazard Spec II	1	1	2	2
Wildfire Hazard Spec I		1	1	1
Emergency Prep Coord	1	1	2	2
Total Prevention/Preparedness	3	5	8	8

*Currently, CMFD participates in a JPA with Kentfield Fire for a Shift Battalion Chief. Whether this makes sense in the long term should be evaluated. Admin B/Cs would include a Training Officer, Fire Marshall, and possibly an EMS Officer.

Cost

Because the proposed organizational structure uses existing personnel reassigned to eliminate duplication and focus on more strategic needs, the cost would likely be approximately or possibly slightly less than the current cost.

Joint Powers Authority or Agency

A joint powers authority is distinct from the member authorities; they have separate operating boards of directors. These boards can be given any of the powers inherent in all the participating agencies. The authorizing agreement states the powers the new authority will be allowed to exercise. The term, membership, and standing orders of the Board of the authority must also be specified. The joint authority may employ staff and establish policies independently of the constituent authorities.

A joint powers agency or joint powers authority (JPA) is a new, separate government organization created by the member agencies but legally independent from them.

Like a joint powers agreement (in which one agency administers the terms of the agreement), a joint powers agency shares powers common to the member agencies, and those powers are outlined in the joint powers agreement.

Joint powers authorities receive existing powers from the creating government agencies.

Examples of Joint Powers Authorities or Agencies in Marin

Agency	Area Served
Ross Valley Fire Department	Town of Fairfax, Town of Ross, Town of San Anselmo, and Sleepy Hollow Fire Protection District
Central Marin Fire Authority	Town of Corte Madera and City of Larkspur
Central Marin Police Authority	Town of Corte Madera, City of Larkspur and Town of San Anselmo

The Joint Powers Authority model with Central Marin Fire presents an opportunity that is either cost-neutral or possibly presents an opportunity for savings. We have had discussions with the management staff of Ross Valley Fire and Central Marin Fire and developed a possible organizational structure and potential cost for that structure. The Board should note that this is a hypothetical structure, and the costs presented represent a high-level estimate of the anticipated costs.

Pros

- Joint Powers Authorities are flexible.
- A Joint Powers authority may be more efficient than separate governments.
- Joint Powers Authorities allow local agencies to join forces and tackle issues together.
- A Joint Powers Authority can use the personnel, expertise, equipment, and property of each agency, promoting economy and efficiency.
- A Joint Powers Authority can work on regional solutions.

Cons

- It is unlikely that a Joint Powers Authority could be completed before the termination of the contract with MCFD.
- A Joint Powers Authority requires that all employee benefits be brought into alignment.
- All employees must be transferred to the new agency.
- Cost-sharing formulas need to account for existing unfunded retirement liabilities and OPEB (Other Post-Employment Benefits).
- Joint Powers Authorities can be difficult to unwind (unfunded retirement liabilities and OPEB).
- Larger Joint Powers Authorities may have a large Board of Directors.
- Because Directors represent individual agencies, Board focus may not be independent of the Cities and Towns

Cost

- Because the proposed organizational structure uses existing personnel reassigned to eliminate duplication and focus on more strategic needs, the cost would likely be approximately or possibly slightly less than the current cost.

Contract for Service

A contract for service is one agency paying another to provide a service or a portion of service.

Contracts can be for management services, fire prevention, shift battalion chief coverage, or for the provision of all emergency response.



Contracts for Service Examples

Agencies	Services
Marin County/Ross Valley	Overhead services: Fire Chief, Deputy Chief, Fire Marshall
Tiburon Fire, City of Belvedere	Tiburon provides all fire services to Belvedere
San Rafael, Marinwood	San Rafael provides Fire Chief and Prevention services
Southern Marin, National Park Service	Southern Marin provides all emergency response but, does not provide fire prevention.

Pros

- Quick to initiate, good short-term solution.
- Can be easy to negotiate.
- Focused contract responsibilities.
- Cost-effective.
- Can provide experienced leadership.

Cons

- The contract agency may not get the same level of attention as the contractor agency.
- It may place heavier or competing workloads on contractor employees.
- Expectations may not always be clear.
- Lines of authority are not always clear.
- The contractor may have to hire additional personnel to meet expectations (this creates long-term obligations).
- Costs may be more volatile.
- Not always a long-term solution.

Contract for Service - Possibilities

Unfortunately, none of the surrounding agencies were interested in pursuing a contract for services. This included providing a fire chief or a deputy chief acting as the primary administrator for Ross Valley.

Marin County did express an interest in a contract for providing all fire services in a long-term contract (all employees under the County contract).

Because of differences in compensation packages, the increased cost to Ross Valley would likely be in excess of \$1 million.

A full contract for service polled very unfavorably with Board and Council members.

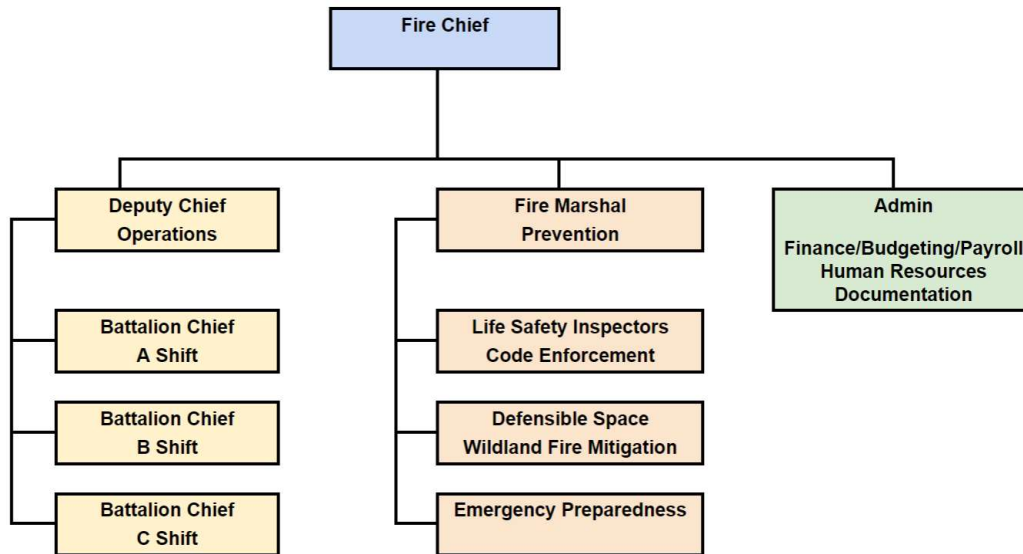
LMS did not pursue this option in detail.

Stand Alone model – Hire Fire Chief and Management Team

Ross Valley Fire Department historically has had a single fire chief who oversaw administration, operations, and fire prevention.

The fire service has become more complex, with greater demands on fire service managers. As a result, most modern fire agencies of Ross Valley's size have separate managers assigned to these three functions.

Typical Fire Department Management Staffing Model



Overworked fire service leaders cannot provide optimal performance across the broad expanse of managerial responsibilities. Further, they are not able to provide for mentorship and leadership for their agencies. Mentorship programs are essential for developing future fire service leaders.

To create a management staff of appropriate size, Ross Valley would likely have to hire/promote not only a fire chief but likely a deputy chief and possibly a fire marshal.

Most modern fire agencies of Ross Valley's size have separate managers assigned to the three basic functions – Operations, Prevention, & Administration.

Operations

Fire Response
 EMS/Paramedic Service
 HazMat Response
 Technical Rescue
 Training
 OSHA/NIOSH Compliance

Prevention

Fire Prevention
 Wildland Hazard Mitigation
 Disaster Preparedness
 Code Enforcement
 Code Development
 Community Education

Administration

Budgeting/Finance
 Personnel Management
 Visioning/Planning
 Career Development
 Mentorship
 Community Engagement

Marin County Fire Agencies Management Organization Comparison

Agency	Type	Population (≈ 500)	Area (Sq Miles)	Budget (Millions)	Stations	Personnel	Safety Personnel	Chief Officers	FP Rank	FP Safety
Ross Valley	JPA	24,500	9.6	12.0	4	38	30	4	Inspector	No
Kentfield	District	6,500	2.8	7.2	1	12	11	3*	FM	Yes
Central Marin	JPA	21,000	5.9	10.6	4	42	37	4*	Inspector	No
Tiburon (Belvedere)	District	10,500	4.7	10.3	2	29	26	5	FM	Yes
San Rafael (Marinwood)	City	70,000	27.1	34.9	7	88	76	6	Dep FM	No
Marin County**	County	15,000	375	35.7	6	110	96	7	B/C-FM	Yes
Southern Marin (Mill Valley)	District	40,000	25.4	31.8	5	84	70	8	D/C-FM	Yes
Novato	District	62,000	72	32.9	5	75	66	8	B/C-FM	Yes

*Central Marin and Kentfield share shift battalion chiefs
 **Marin County fire operates M18 in Ross and four fire crews

Bay Area Fire Agencies Management Organization Comparison

Agency	Type	Population (≈ 500)	Area (Sq Miles)	Budget (Millions)	Stations	Personnel	Safety Personnel	Chief Officers	FP Rank	FP Safety
Piedmont	City	11,000	1.7	8.0	1	24	23	1	Capt-FM*	Yes
Rancho Adobe	District	28,000	89	7.2	3	29	28	4	B/C-FM*	Yes
El Cerrito	City/JPA	31,000	4.6	13.3	3	37	35	5	B/C-FM	Yes
Dixon	District	25,000	320	6.4	1	22	20	5	A/C-FM	Yes
Davis	City	68,700	133	15.3	3	45	44	5	Div/C-FM	Yes
Woodland	City	61,000	15.3	13.8	3	50	47	5	FM	Yes
Sonoma Valley	District	48,000	78	16.6	4	62	59	6	B/C-FM	Yes
Goldridge Fire/North Bay	District	40,000	240	9.0	3	32	30	6	Div/C-FM	yes
Petaluma	City	59,800	14.5	20.2	3	67	59	6	FM	Yes
Central County (San Mateo)	JPA	66,000	14.9	32.7	7	88	74	8	FM	Yes
Sonoma County Fire	District	75,000	195	34.3	9	107	98	9	BC-FM	Yes
Menlo park	District	90,000	30.1	75.1	7	151	123	12	Div/C-FM	Yes

* Piedmont and Rancho Adobe use an on-shift fire marshal

Pros of a Stand Alone Model

- Maintains local control.
- Ross Valley Fire Department would be the chief's sole focus.
- Simple and maintains the status quo.

Cons of a Stand Alone Model

- Will increase costs.
- A small pool of candidates internally.
- Hiring from the outside can bring unknown qualities.
- Duplicates services of adjacent agencies

Cost

The cost to return to a standalone fire chief model will be dependent on the management structure employed. Below is an estimate of the likely costs.

Stand Alone Fire Management vs Current Cost	
Current Cost with Marin County	\$332,653
Projected Cost - Stand Alone RVFD	
Fire Chief	\$349,829
Deputy Chief	\$318,059
Fire Marshal	\$276,553
Total	\$944,441
Projected Increase	\$611,788

Costs reflect fully benefitted positions including, salaries, retirement, medical/health insurance, life insurance, workers compensation, and other post-employment benefits
– Costs provided by Jeff Zuba, San Anselmo Finance Director

Could RVFD reduce costs by hiring a Non-safety Fire Marshal?

There are potential savings in both retirement and worker's compensation costs between safety and non-safety positions. We estimate the saving to be between \$20,000 and \$30,000.

RVFD currently has four different retirement contribution rates. These include Safety-Classic, Safety-PEPRA, Misc-Classic, and Misc-PEPRA. Classic employees are employees who started prior to January 1, 2013 in any agency contracted with CalPERS or a 37-Act County Retirement agency. PEPRA employees are employees hired after the Public Employees Pension Reform Act (PEPRA) took effect on January 1, 2013.

The difference between safety and non-safety employees is greater (10.16%) with classic members than it is with PEPRA members (6.82%). Employers also pay a lesser worker's compensation cost for non-safety members.

Potential cost savings from safety vs non-safety

	Classic	PEPRA
Retirement Cost Difference (safety vs non-safety)	10.16%	6.82%
Workers Compensation Difference (safety vs non-safety)	6.50%	6.50%
Total Difference	16.66%	13.32%
Base Salary	\$150,000	\$150,000
Approximate Savings from Non-Safety	\$24,990	\$19,980

Rates for Fiscal year 23/24

Classic: Employees hired prior to 1/1/2013

PEPRA: Employees hired 1/1/2013 or later

Next Steps

This report summarizes a high-level overview of each option available to the Ross Valley Fire Department. For all the options above, there will need to be additional discussion by elected officials and potentially department members.

It would benefit the agency to focus further on a limited set of options with the most likely potential for success. Accordingly, the Board should narrow the options for a deeper review.

Short Term Options:

Determining the objective of the short-term options and the length of time needed to move toward a more sustainable Fire Department will be important when selecting what short-term option is best for RVFD and its community. Working with the RVFD Board of Directors and with the Management Team, LMS has identified two options for the Board's consideration: a Standalone Fire Department or a Joins Power Agreement with Central Marin Fire Authority.

Standalone Department:

To move forward with a standalone fire department, the Board must identify the short-term needs of the Department Staff and the community they serve. At a minimum, to keep the management structure like its current staffing level, the Board must recruit and hire a Chief and a Deputy Chief.

There is an option to fill these roles with Interim personnel, such as elevating or promoting one or more Battalion Chiefs to serve in these interim roles. Interim roles should be short-term solutions and limited to a three to six month assignment, so they are purposely short in nature.

The challenge in promoting a Battalion Chief to serve in an interim role is that you will need to fill the duties of the BCs. This has a domino effect as there will be an obligation to underfill the duties of the BCs with captains serving as interim BCs, Firefighters serving as acting Captains, and backfilling firefighter positions. This will require significant overtime or create a need to hire temporary firefighters to fill the vacancies. The cost in time, effort, and money to fill Firefighter positions is substantial, even temporarily.

During the transition, the Board must advertise, recruit and Hire a Fire Chief. A staggered recruitment for Deputy Fire Chief can overlap with the Chief's recruitment to assist in the appointment of the Deputy Chief once the Fire Chief has been hired, as the Fire Chief will need to make this appointment. The process will take no less than 4 months and could take up to 8 months or longer based on the pool of qualified candidates. The challenge with the standalone Fire Department model is that it may be perceived as a short-term solution to bridge the long-term objective. This by itself may reduce the number of qualified candidates. It should also be noted that the longer the recruitment extends, the more overtime expense will occur in addition to fatigue and burnout that will be experienced based on wear and tear on those in these high-stress interim positions.

Joint Powers Agreement:

The other option for the Board's consideration is to enter into a Joint Powers Agreement with Central Marin Fire. This option may serve as a good bridge to a new Joint Powers Authority between Central Marin Fire and the Ross Valley Fire Department.

If the Board moves forward with the Joint Powers Agreement, the agencies will need to negotiate an agreement that addresses operational service delivery as well as administrative services functions. This would include training, staffing levels, work assignments, standard operating procedures, along with many other considerations. Additionally, the agencies must agree on the leadership structure, including using command staff to fill the roles required to oversee the various Department Functions.

Another factor with a Joint Powers Agreement is extending the Department oversight with elected officials (Council members) and/or Management Staff (Town Managers). The Board may appoint one Council member from each of the six entities to form a group of six board members. Additionally, the Board could appoint two Town Managers of the six agencies to serve as the executive Management Team, who will then work with the Fire Chief and Deputy Fire Chief to oversee the Department's day-to-day operations. It is important to emphasize that this is a short-term agreement to bridge to the longer-term Joint Powers Agency. During this 18-month transition period, the Board, working with Staff and various Stakeholders, can evaluate the longer-term needs of the Department and confirm the structure of the governance and oversight needed to best serve the communities of Ross Valley and Central Marin.

Based on limiting the options, Local Motion Solutions, if needed, and staff can provide a more in-depth analysis and work towards possible implementation.