

CITY OF ST. AUGUSTINE

City Commission Workshop Meeting
August 16, 2004

The City Commission met in a workshop session Tuesday, August 16, 2004, at 10:00 p.m. in the Alcazar Room at City Hall. The meeting was called to order by Mayor George Gardner, and the following were present:

1. Roll Call:

George Gardner, Mayor/City Commissioner
Susan Burk, City Commissioner
William Lennon, City Commissioner
Errol D. Jones, City Commissioner
Donald A. Crichlow, City Commissioner

William B. Harriss, City Manager
Martha V. (Nell) Porter, City Clerk
Tim Burchfield, Chief Administrative Officer
James Owens, Fire Chief
John Regan, Chief Operations Officer
Jason Sheffield, Administrative Services Group Manager
James Wilson, Attorney
James Whitehouse, Staff Attorney
Mark Knight, Director, Planning and Building Department
Paul K. Williamson, Director, Public Affairs
James Blount, Union President
James Costeira, Lieutenant, Fire Department
John Rayno, Fire Marshal
Steve Boettcher, Chairman, Firefighters' Retirement Board
Karen Rogers Recording Secretary

Non Agenda Item

Mr. Harriss reported that Hurricane Charley had caused little concern to the City. However, he said that there were a number of other communities that had suffered. He said that the City had sent some equipment to help and with the Commissions concurrence it was the City's intention to form a team to provide service to the effected areas. He added that most of the money involved would be recovered through FEMA. He added that the teams would be formed on a volunteer basis.

A brief discussion regarding the FEMA benefits resulted.

2. Presentation by staff regarding the potential merger of the St. Augustine and St. Johns County Fire Department.

Mr. Harriss reported that the merger negotiations had begun in 1991; however, at that time it was not a good thing for the residents. He said that currently the County had evolved considerably and the County fire department was now more capable of allowing room for negotiation. ¹

Tim Burchfield, Chief Administrative Officer stated that he and Chief Owens

¹ Commissioner Jones arrived at 10:07

would make the presentation and questions would be invited after the presentation. He said that much of the presentation would be general in nature and details would be provided should the Commission determine to further discussions with the County. ²

CITY OF ST. AUGUSTINE FIRE MERGER WORKSHOP

- What is the purpose of today's workshop?

To garner City Commission policy direction in determining whether to proceed with detailed discussions on a possible merger of City and County fire services

- TriData Corporation Study

- In 1995 TriData was contracted to study fire services throughout the County and the City
- The final report recognized the City's emphasis on fire prevention and its effect on limiting the number and severity of fires
- The final report also recognized the City's vulnerability to simultaneous calls
- The final report included a recommendation of consolidating the City and County fire services
 - Increasing the capabilities of both jurisdictions
 - Increasing the operational effectiveness and efficiency of overall fire service delivery system inside and outside the City limits

- City of St. Augustine Fire Department

- Brief History
 - The history of the fire department dates back to 1845

² The power point presentation is attached to original minutes

First paid department was established in 1902, with a main station located on Hypolita Street

-Staffing consisted of a Chief and three firefighters

- In 1920 the department modernized from horse drawn wagons to mechanized equipment

- By 1949 staffing had increased to a Chief and fifteen firefighters

The City established a second fire station on the island in 1959

-Staffing was increased to a Chief and twenty-four firefighters

- In 1973 the main station was moved from Hypolita St. to Bridge Street

- 1970's a fire marshal position was added to the department

- In November 2002 a new main station was dedicated on Malaga Street replacing the Bridge Street station

- Prior to 1997 the County's fire protection system was volunteer

- County Fire & EMS consolidated in October 1997

- EMS paramedics cross-trained as firefighters (55 career staff)

- 5-year plan developed for enhancement of existing service

- In FY '03/04 career staffers grew to 174

- County has 19 stations of which 12 are staffed 24/7

- As identified in the 5-year plan, the County is presently addressing needs with several new stations and increased staffing

James Owens, Fire Chief, elaborated on the presentation stating that the first recorded fire in St. Augustine was in 1565, but up until the 20th Century fire protection was taken care of by volunteers and private organizations. He said that in 1845 a fire destroyed quite a bit of property instigating the first volunteer fire department. He said that there had been a significant fire north of the Plaza in 1887 that burned the

Cathedral and another fire in 1896 on Aviles Street, which initiated the first paid fire department consisting of a fire chief and three firefighters in 1902. He noted that Henry Flagler had donated the building for the first fire station at City Hall on Hypolita Street, where the Columbia Restaurant currently exists.

Chief Owens said the first pump had to be towed by horses; however, the City had not owned a horse; therefore, when the fire bell rang the first horseback rider that arrived to tow the pump received \$5.00, which was a lot of money at that time. He added that if an able bodied male refused to volunteer he was fined \$5.00.

Chief Owens emphasized that the staffing level in the fire department had been at the same for over 30-years. He said that prior to 1996 most of the County was served by volunteers. He said that during that time the City had an agreement with the County to provide fire protection in the County up to a 10 mile radius, but the City fire department often went further than that. He said that the City had also asked for compensation for providing the service to the County, which had initiated the TriData Study. He said that after the study was completed the EMS consolidated in the County, but it was decided not to include the City department in the merge.

Mayor Gardner questioned whether it was standard to have four firefighters per station.

Chief Owens said that it was recommended to have four firefighters per engine.

Mr. Harriss explained that during a structure fire two firefighters would go

inside the building and two firefighters would work outside and be prepared to rescue them.

Chief Owens said that, according to staffing publications, it was recommended that there be 15 firefighters on the scene in the event of a fire in a one or two family structure.

PRESENTATION CONTINUED

- Insurance Services Office (ISO)

- Public Protection Class (PPC) rating

- Grading occurs approximately every ten (10) years for jurisdictions greater than 25,000 population

- Classes range from 1 to 10

- Lower ratings indicate higher levels of protection

- Ratings are used by insurance companies in setting rates

- It is in the citizens best interest to have a lower ISO rating

- Current Ratings

- City of St. Augustine – 3

Chief Owen said that in the 1980's the City had struggled to maintain a four classification, but with diligence they were able to bring the classification to a three in 2002. He noted that only 20% of the Cities in the United States had achieved a three classification. He added that the ratings determined the public's insurance rates.

Mr. Harriss pointed out that with a three classification the firefighters had a better chance of saving lives and structures.

PRESENTATION CONTINUED

- St. Johns County ISO rating – 5/9/10 (depending on location)

Commissioner Burk questioned the St. Johns County ratings.

Chief Owens replied that there were a number of elements that determined the public's insurance ratings; water system, number of fire stations, proximity to the stations, volunteer or full time firefighters and staffing level. He explained that the ISO tried to give the best ratings that they could, but there were areas of the County that had a lower classification than others.

A brief discussion revealed that the County had 174 firefighters, and they were requesting another rating to reflect the recent improvements to their system.

Commissioner Lennon questioned whether the City would maintain a three classification if they merged.

Chief Owens said that he was not certain; therefore, he had requested the information from ISO, which indicated that the City would maintain a three classification until the subsequent evaluation. He added that the ISO would determine whether the City would be evaluated separately. He explained that the City would have to notify the ISO in the event of a merge, the ISO would not have to wait ten years for the next evaluation and if the grading indicated retrogression for the City the ISO would do a separate rating for the City.

PRESENTATION CONTINUED

–Merger Objective

- City must maintain a rating of at least 3 to protect property owners against possible insurance premium increases

–ISO Management

- Indications are a merger could result in the City maintaining a 3 rating until next re-evaluation

- Upon re-evaluation, if needed, a request could be made to evaluate the City separately, thus maintaining separate Classes between the City and County

•Exploratory Committee

- At the direction of the City Manager and County Administrator a committee was formed to begin preliminary investigation into merger possibilities

– Committee Members

- »Bill Harriss
- »Ben Adams
- »Tim Burchfield
- »Doug Timms
- »Jimmy Owens
- »Bobby Hall

•Five Goals of Proposed Merger

- Optimum level of service to our citizens
- Cost/revenue neutral to our citizens
- Merger must be collaborative and a true merging of resources
- Public must “buy in” to the merger
- Members of both departments must support the merger

Mr. Burchfield stated that the City's union would have to merge with the County union, the City's had already written a letter in support of the possibility of a merger and he believed that the County union had also sent a letter of support. He added that the aforementioned goals were unconditional and non-negotiable, and an interlocal agreement would be developed to encompass all the goals. He said that if an agreement could not be achieved the merger would not continue.

PRESENTATION CONTINUED

•Proposed Merger Phases

–Phase I: Research and Analysis

- Human Resources, Operations and Financing

Mr. Burchfield said that if the Commission directed them to continue they would get into the detail of financing the merger, operational issues and human resource issues, and once the information was established they would conduct public meetings. He concluded that should the public agree, they would begin phase three.

PRESENTATION CONTINUED

–Phase II: Public Information

- Public meetings, public announcements and brochures

–Phase III: Implementation and Compliance

- Finalization and Implementation of Inter-local agreement

- Why should a merger be considered now?

–Changing regulations have resulted and will continue to result in increased taxation of City residents

–Competition for qualified staffing is ever increasing

- City consistently loses personnel to other agencies

Mr. Burchfield stated that in the past 12 years the City had lost 25 firefighters to other agencies, which was costly.

PRESENTATION CONTINUED

–Increasing traffic congestion weakens the reliability of service

- Bridge of Lions
- Downtown backups
- Tourism influx

- Why should a merger be considered now?

–Geographical annexations will require additional staffing, equipment and facilities in the future to ensure reliability of service

- State Road 312 area

–Aging and size of Island Station requires new structure

Mr. Burchfield stated that ideally they would like to relocate a larger island station further south to get to the SR 312 corridor quickly.

PRESENTATION CONTINUED

- US1 North area

–Future development of Ponce property potentially could require a new station in the north

Mayor Gardner questioned whether there was a provision with the developer to contribute a fire station for the Ponce development, and the response was negative.

PRESENTATION CONTINUED

–New station would require additional staffing and equipment

–St. Johns County now staffs a full-time fire department

- When previously considered County was a volunteer department

–The City's and County's strengths are complimentary

- Through inter-agency mutual aid agreements both agencies have worked together

–Combination of resources will ultimately result in an increased level of and reliability of service, both inside and outside the City

- Taking advantage of current fire station locations and manpower resources

- ALTERNATIVES

Mr. Burchfield referred to the maps display of the City and County fire stations.

1. Do nothing

- Increased ISO ratings
- Upset citizens
- Demoralized staff
- Potential tragedies that will question this decision

2. Continue as separate agencies and increase funding

- Aging of structure and annexations to the south will require the island fire station be replaced (\$700,000)
- Annexations to the north will require a new station in north US1 area (\$700,000)
- Additional manpower will need to be added for north station (6 firefighters @ \$270,000)
- Additional equipment will need to be added for north station (\$500,000)
- Competition for qualified staff will require increases in pay and benefits to attract and retain firefighters (\$260,000)
- Total annual cost \$630,000 or increase of approximately .6 mils

3. Merge

- Would result in long-term reductions in City millage rate
 - St. Johns County would apply the Fire District Tax (1.125 mils) to the City residents tax bill
 - City of St. Augustine would reduce the ad valorem millage by 1.125 mils (currently charges 1.84 mils)
 - Over a five (5) to seven (7) year period the City would reduce the remaining .715 mils

–This period allows for a supplement to the County until the Fire District millage covers the expense of City services

Mr. Harriss stated that there was no doubt that the County ISO rating would drop. He noted that the County had been evaluated 4-years earlier, but they had made considerable improvements since that time.

Commissioner Burk questioned the situation with the special fire assessment and when would it end.

Mr. Harriss replied that the City still owed money on the existing fire station, and they intended keeping it in place for the City residents only. He said that the City would continue to own the station and lease it to the County for a dollar a year. He said that when the payment was over they would sunset the special assessment.

Commissioner Burk questioned how long that would be.

Mr. Harriss said that it was a 20-year bond, and they had been paying for it for two years. He explained that the bond was paid by everyone in the City, and it would not be affected by the proposed merger.

Commissioner Burk said that the way she read the letter from the ISO it appeared that they would be willing to evaluate the City separately should the merge have a negative affect on their rating.

Mr. Harriss said that was possible, but they would have to keep the service up.

Chief Owen stated that the firefighters did not sit in the fire station waiting for a

fire. He explained that in order to have a good qualification they conducted extensive inspections. He said that in the evaluation process the fire department counted for 50%, the water department 40% and communication dispatch 10%. He said that of the 50% for the fire department the City attained 33.99%. He continued that the firefighters had to inspect and maintain records for every commercial, industrial, institutional and other similar type buildings twice annually. He said that they also had to inspect and make sure fire hydrants were in good working order twice annually, but they were having trouble keeping up with inspections without additional staff.

Mr. Harriss noted that it was a lot easier to stop a fire before it occurred. He added that they did not want to hook up to a hydrant that was not working.

Chief Owens added that the City had a good reputation regarding fire prevention. He reiterated that there was more to it than just sitting around waiting for a call.

Commissioner Burk stated that if they took the step to merge, the matter would be irreversible; therefore, she wanted to be certain the level of service would not be decreased for the City and that it did not cost the residents of the City more money to maintain the same or a potentially lower level of service. She said that if the City came out equal at worst and the merge benefited the entire County and community they should proceed to develop a more detailed plan.

Commissioner Crichlow agreed and added that having paramedics in the fire department would be a plus for the City. He said that if the merge was successful

the City would maintain its own Fire Marshall.

Mr. Harriss agreed and said that it was one of the details to be worked out.

Commissioner Crichlow noted that the City was unique; therefore, it required a Fire Marshall that was up to date on the issues. He added that he would like the City to retain its identity regarding the fire department; therefore, he would like the City name to be retained in some manner.

Mr. Harriss stated that the matter had already been discussed, and the County had no problem with the City retaining its identity, as the City could have its own district. He added that through research the City had learned from other mergers.

Mayor Gardner stated that the current mutual aid system they had was absolutely stupid, because the City had to use all of its resources before they could call on the County.

Mr. Harriss said that was not quite correct, as they could call on the County as soon as they understood that the situation required help.

Mayor Gardner noted that Phase II was important, as bringing the matter to the public would be critical. He stated that City residents paid 25% more taxes than County residents to be residents of the City, and he wanted public feedback, because it was a financial matter. He said that he had recently attended a MPO meeting, and if that part of the City was going to be swallowed up as part of a region, he wanted the public's reaction to the possibility that there might be financial and technical reasons to eventually merge the City police department with the sheriff's

department, as well as the public works departments. He added that regionalization was cost effective.

Mayor Gardner stated that mutual aid was one of his concerns, because when there was a fire they could forget the system and simply help. He pointed out that if the firefighters could get the level of pay and benefits they wanted they would not be interested in merging with the County.

James Costeira, Lieutenant, Fire Department, said that the City had grown as well as the fire departments call volume, but they had the same number of firefighters as they had in 1959. He said that firefighters did not leave the City fire department because they were unhappy with the City, but they had families and the pay and pension benefits were less than all the surrounding counties. He said that was the crux of the turnover experienced by the department. He said that the departments concern was that they needed the manpower to remain after they had been trained, plus they needed additional manpower to serve the City. He stated that to retain the firefighters their salary and benefits had to be equal to the County; therefore, if the department was upgraded the firefighters would love to remain in the City fire department.

Mayor Gardner stated that he would be willing to bet that if the salary and benefits were a little bit lower than the County, but it was offset by the quality of life within the City, the firefighters would be willing to buy into it. He concluded that it came down to the money.

James Blount, Union President, said there was a major problem in the fire department when 22 out of 26

firefighters had turned over in the past five years, and he added that it would not get any better. He stated that the City had to do something one way or the other. He concluded that in the past 20-years the fire department calls were up 690% without increased man power since 1959.

Mayor Gardner said that was why they could not negate the possibility of merger at that point, but he wanted to hear from the people. He expressed upset that the Ponce development would require a new fire station. He said that information should have been on the Commission table when they were making their decision regarding the development. He cited the situation as a rape and said that it was ridiculous. He said that the City had 3-6 million visitors a year, and he did not believe that it was wrong for the City to make a profit on the visitors. He said the residents were footing the bill for visitors, and he thought that was wrong. He said that if the citizens wanted the fire department they would have to agree to pay more taxes or create a visitor revenue screen that helped with the cost of the services. He said that the City was covered for fire service, and he was not buying into the idea that the City had to merge to have that coverage.

Commissioner Lennon stated that he wanted to see all the information; therefore, he wanted to move forward to get the numbers involved and also to hear public response to the merger. He recommended moving forward.

Commissioner Jones said that he did not want to repeat what had already been said, and he did not want to politicize the workshop. He said that his concern was future services to the City; therefore, he wanted to be assured that as they moved forward all they put into place would

remain that way. He said that if the County growth had a major impact on the citizens of the City he would be concerned. He said that his primary concern was for 5-10 years down the road. He added that he would require a guarantee for continued coverage, as the City was unique and had the oldest wooden structures that were irreplaceable.

Mayor Gardner explained, for the benefit of the public, that the Commissioners wanted to move forward to the next level with public input.

Mr. Harriss suggested public input before bringing the matter to a Commission meeting for approval.

Mr. Regan pointed out that the consensus was that doing nothing was not acceptable. He added that regarding the Ponce issue the Commission had to consider the revenue side associated with the protection. He explained that there might be an initial investment in terms of fire protection, but ultimately a third of the taxable value of the community would be within that region. He said that there would be more than the issue of a \$700,000 expense. He said the key issue was whether the public wanted to pay more money for its own fire department, including salaries commiserate with the industry. He distributed a list of firefighters who had left the department. He said that if the City had a \$200,000 taxable structure it would cost the citizens \$120 a year in taxes, which could be acceptable to the City residents, but that was the big question. He said that the benefit of the merger would be increased reliability and protection including paramedics—without increasing the cost.

Mr. Burchfield stated that if the citizens did not agree they would not consider the merge.

The Mayor invited questions.

Lois Robinson, 142 Marine Street stated that merging with the County would not solve the problem, because the County firemen and policemen left St. Johns County to go to Duval County for more money.

Mr. Blount replied that the City was losing firefighters to St. Johns County and the County was losing them to Duval County, but St. Augustine had the lowest salary and benefits; therefore, they could not retain firefighters. He said that it had been recommended that the County raise salaries tremendously in effort to keep the employees, but currently their benefit structure and salaries were higher than the City.

Mayor Gardner stated that there was no way the City of St. Augustine could compare with the tax base related to Jacksonville. He said that people would have to make a decision to take less to serve in St. Augustine than to fight traffic in Jacksonville.

Mr. Blount pointed out that the City of Palatka made more in salary and benefits than St. Augustine and by approximately a third. He said that the starting salary was not bad in St. Augustine but the salaries did not go up comparatively.

Steve Boettcher, Firefighter and Chairman of the Firefighters' Retirement Board, stated that when they kept losing firefighters to other areas they were losing experience, and experience saved lives and property.

Mr. Blount repeated that the City was not even on the same page as Palatka.

Mayor Gardner suggested that they could not compare the City to Palatka, because Palatka might focus on their fire department and not provide something else that St. Augustine did. He said that it was like comparing apples and oranges.

Mr. Blount stated that the Mayor would not find anything else to compare with in northeast Florida. He repeated that something had to be done.

Rosalie Russo, (no address), suggested that the City find out what other municipalities were doing and what they had learned from remaining independent or merging. She mentioned a situation in Palm Beach County.

Mr. Harriss said that it was hard to compare with most municipalities as the City was unique.

Chief Owens said that the City was limited on how much it could expand its boundaries, which directly affected any comparison.

Mr. Burchfield clarified that the Commissioners consensus was to move to phase II.

3. Adjournment

There being no further business, the meeting was adjourned at 11: 32 a.m. ³

MAYOR

³Transcribed by Karen Rogers, Recording Secretary

CITY CLERK