

Special Meeting: Future of Fire/EMS Services Work Session
Monday, June 13, 2022
5:30 p.m.

Hybrid Meeting	
City Council Chamber 6200 Southcenter Blvd Tukwila, WA 98188	Join on your computer or mobile app Click here to join the meeting To listen to the meeting, dial 1-253-292-9750, 189 301 456#

Agenda

- I. Welcome & Call to Order
- II. Discussion with Puget Sound Regional Fire Authority Chief Matt Morris
- III. Council Q&A Review
- IV. Preview of Council Direction Needed

Attachments:

- 1. Council Question & Answer Log
- 2. Cost Comparison of Options (presented to CAC 5/3/22)
- 3. Fire/EMS Community Advisory Committee Options Rating Survey
- 4. Overview of Existing Service Contracts
- 5. Fire Benefit Charge Overview (presented to CAC 2/15/22)
- 6. Contract Considerations

Additional Background Material: [Future of Fire/EMS Services Webpage](#) (link)

Future of Fire/EMS Services Council Question Follow-Up & Parking Lot

Date	Councilmember	Comment/Question/Item	Response
1. 5/23/22	Sharp	There was a Safety Bond that was in process for 79 million, there was talk if there was an overage. What was the final cost of relating to the bond?	There is not an overage associated with the Public Safety Bond. Voters approved \$79M, and the city did not have authority to spend beyond that. One fire station was removed from the total plan due to the increased costs in the construction market during that timeframe. The bond itself was contained to \$79 million. What changed was what the City was able to construct within the constraint of \$79 million.
2. 5/23/22	Sharp	Are there details on what the bond spent it money on, can a breakdown be had for citizens to review?	All information related to the bond is part of the public record and available to the community. Additional financial detail can be found in this December 9, 2019 memo to the Finance Committee . In addition, the City Council appointed an independent Financial Oversight Committee, and more information on this work can be found at its webpage .
3. 5/23/22	Sharp	What is the timeframe as far making the final decision on the process? What is in this process as to why the timeline is short?	PSRFA has asked for a decision by July 1, 2022, to allow time for their implementation process. The PSRFA Fire Chief did say a grace period to July 15, 2022, would still work if needed.
4. 5/23/22	Sharp	How many positions would need if the contract for service is adopted? Where are the positions allocated?	The contract would affect all positions in Fire, including represented and non-represented.
5. 5/23/22	Sharp	When will the Chief of Fire need to resign from their position if this transition takes place in July?	The July date refers to a Council decision point, not when a transition would occur. Final disposition of all positions will be determined during the contract negotiation process.
6. 5/23/22	Sharp	What happens to the Deputy Chief, will they also be asked to resign or be offered a position within Tukwila Fire?	Final disposition of all positions will be determined during the contract negotiation process.
7. 5/23/22	Sharp	Will there be any support positions that the City of Tukwila will lose, like mechanics?	Final disposition of all positions will be determined during the contract negotiation process.
8. 5/23/22	Sharp	Who will own the Tukwila Fire's assets, like the stations, fire-fighting equipment, and vehicles?	Based on other contracts, equipment has been transferred to the RFA and stations have been retained by the city or agency. Final disposition of assets will be determined during the contract negotiation process; Council direction required here.

9.	5/23/22	Sharp	Specifically, the equipment that has yet to be fully paid, who pays those items off?	The City of Tukwila will retain the debt from the Public Safety Bond. The servicing of the Public Safety Bond funds used to build the new stations will still be the responsibility of the City of Tukwila. The equipment and apparatus discussed above has been paid. Final disposition of assets will be determined during the contract negotiation process.
10.	5/23/22	Sharp	Who is responsible to replace those items, trucks, and equipment?	This will be largely dependent on whether we annex to the PSRFA or are still under contract and subject to contract negotiations.
11.	5/23/22	Sharp	Pensions and retirement for firefighter personnel, is that paid by the new authority completely?	Pension and retirement is through the state LEOFF 2 system. The retired LEOFF 1 fire fighters will continue to be the responsibility of the City of Tukwila.
12.	5/23/22	Sharp	Who will be responsible to service the vehicles for repair?	Depending on contract negotiations, if the vehicles transfer, all maintenance and/or replacement could be the responsibility of the PSRFA. Alternatively, the City may choose to retain that service.
13.	5/23/22	Sharp	Will the addition of fire stations be required and if so, is it replacement of an existing station or will they be stand alone built stations? How many?	No additional fire stations are required.
14.	5/23/22	Sharp	What will happen to the budget dollars that was allocated to fire, will that line item go away?	They will be used to pay for the contract for services with the RFA.
15.	5/23/22	Sharp	The cost for service, will this be separate line item, or will it just show up blended into a citizen's taxes?	Under the contracting model, funds for fire service will continue to come from the City's general fund and will not be a separate assessment to taxpayers.
16.	6/6/22	Hougardy, Kruller	Why can't we proceed immediately into an annexation process? Why does the RFA require a contract first?	PSRFA Chief Morris will be available to answer this question.
17.	6/6/22	Hougardy	Do we have recourse if the contract goes long?	Ultimately that will depend on the contract negotiations. The current contracts for services that the PSRFA has provide a minimum of five years for contracting and a two-year notification for voluntary termination of the contract.

18.	6/6/22	Hougardy	The City has no seat at the table with a contract. Where is the assurance that this will not be a problem?	Current PSRFA contracts provide one ad hoc nonvoting member. This will need to be resolved in contract negotiations. Chief Morris will be available to address this question.
19.	6/22	Kruller	What is the cost variance between status quo, contract, and annexation?	See Attachment 2, Cost Comparison of Options (presented at 5/3/22 CAC Meeting)
20.	6/6/22	Kruller, McLeod	How would the recommendations from the CPSM Operational and Administrative Analysis be addressed via contract or annexation?	This will be addressed at the next discussion.
21.	6/6/22	Kruller	How do I know that CARES and Fire Marshal enhanced services will be included when I have heard at other times that will not be the case?	These will be addressed via the contract negotiations.
22.	6/6/22	Kruller	What are the offramps with the contract?	This will need to be resolved in contract negotiations. The current contracts for services that the PSRFA has require a minimum of two-years notice for voluntary termination of the contract.
23.	6/6/22	Kruller	What triggers an annexation vote by the public and what does not?	As it relates to a contract, this will need to be negotiated. Ultimately, both the governing board of the RFA and the City Council would need to act to put annexation out to a public vote.
24.	6/6/22	Kruller	What are the top 3 reasons IAFF 2088 favors a contract?	IAFF Local 2088 President Booth will be available to answer this question.
25.	6/6/22	McLeod	What do we get back if we do not progress from a contract to annexation?	This will depend on contract negotiations.
26.	6/6/22	McLeod	What are the mechanics/roles associated with contract negotiations?	Staff is looking for direction from the City Council on the best way to engage in contract negotiations and key terms assuming that the Council wants to move forward.
27.	6/7/22	McLeod	Why did the Committee recommend PSRFA over Renton?	See Attachment 3, CAC Survey Results

All Figures for Year 2022 and all are ESTIMATES

Comparing Options 1 - 9

Comparable Expenses	Option 1 Status Quo	Option 2 Status Quo Plus Enhancements	Option 3 Tukwila Fire District w/Property Taxes	Option 4 Tukwila Fire District w/Property Taxes & FBC	Option 5 Partner w/another Fire Provider to Create Tukwila RFA w/FBC	Option 6 Contract for Service w/Renton Regional Fire Authority (RRFA)	Option 7 Contract for Service w/Puget Sound Regional Fire Authority (PSRFA)	Option 8 Annexation into Renton RFA	Option 9 Annexation into Puget Sound RFA
FN 1 FTE Count ¹	65	68	75	75	75	52	52	0	0
FN 2 Wages & Benefits ²	\$12,474,164	\$12,999,008	\$13,665,337	\$13,665,337	\$13,665,337	\$9,462,749	\$10,474,671	\$0	\$0
Admin Overhead	\$67,103	\$67,103	\$422,553	\$422,553	\$422,553	\$4,249,099	\$2,886,778	\$0	\$0
FN 3 Facilities/Capital									
Reserves/Overhead ³	\$113,077	\$113,077	\$113,077	\$113,077	\$113,077	\$850,409	\$621,468	\$0	\$0
FN 3a Other O&M ^{3a}	\$1,563,820	\$1,784,861	\$2,087,460	\$2,087,460	\$2,087,460	\$0	\$265,980	\$0	\$0
FN 9 Other Reserves ⁹	\$0	\$0	\$1,590,000	\$1,590,000	\$1,590,000	\$0	\$650,000	\$0	\$0
SUBTOTAL	\$14,218,164	\$14,964,049	\$17,878,427	\$17,878,427	\$17,878,427	\$14,562,257	\$14,898,896	\$14,419,396	\$14,196,240
FN 3b Retained Costs (Items City will Continue to be Responsible for) ^{3b}									
Debt Service on FS 51,52	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128
FN 4 Debt Service on FS 53,54 ⁴	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FN 4a FMO Contract Cost ^{4a}	\$0	\$0	\$900,000	\$900,000	\$900,000	\$0	\$0	\$610,937	\$840,377
LEOFF 1	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000
TOTAL City-Retained Costs	\$2,131,128	\$2,131,128	\$3,031,128	\$3,031,128	\$3,031,128	\$2,131,128	\$2,131,128	\$2,742,065	\$2,971,505
FN 5 Estimated Cost of Fire Dept⁵	\$16,349,292	\$17,095,177	\$20,909,555	\$20,909,555	\$20,909,555	\$16,693,385	\$17,030,024	\$17,161,461	\$17,167,745
Est Cost w/Enhanced Services	N/A	\$17,095,177	\$21,655,440	\$21,655,440	\$21,655,440	Included	Included	Included	Included
One-Time Startup Costs	-	-	\$1,000,000	\$1,000,000	\$1,000,000	-	-	-	-
Offsetting Revenues									
General Fund									
FN 7 Revenue/Property Tax									
Equivalent ⁷	\$13,390,964	\$13,733,505	\$5,583,105	\$827,200	\$827,200	\$13,331,713	\$13,668,352	\$308,393	\$537,833
RFA/District Taxing Authority	\$0	\$0	\$12,047,859	\$8,031,906	\$8,031,906	\$0	\$0	\$7,228,715	\$7,228,715
Fire Benefit Charge	\$0	\$0	\$0	\$9,092,121	\$9,092,121	\$0	\$0	\$6,579,744	\$6,127,147
Excess Levy	\$0	\$0	\$320,263	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service on FS51/52	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128	\$1,870,128
FN 8 LEOFF 1 ⁸	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000	\$261,000
FN 6 FMO Revenue ⁶	\$302,544	\$605,088	\$302,544	\$302,544	\$302,544	\$605,088	\$605,088	\$605,088	\$605,088
Fees for Service/Ambulance									
Fee Policy	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
CARES Funding	\$0	\$100,800	\$0	\$0	\$0	\$100,800	\$100,800	\$100,800	\$100,800
EMS Levy	\$500,656	\$500,656	\$500,656	\$500,656	\$500,656	\$500,656	\$500,656	\$500,656	\$500,656
FN 5 Estimated Revenues⁵	\$16,349,292	\$17,095,177	\$20,909,555	\$20,909,555	\$20,909,555	\$16,693,385	\$17,030,024	\$17,478,524	\$17,255,368
FN 10 Add't Reserves for RFA ¹⁰	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$317,063	\$87,623

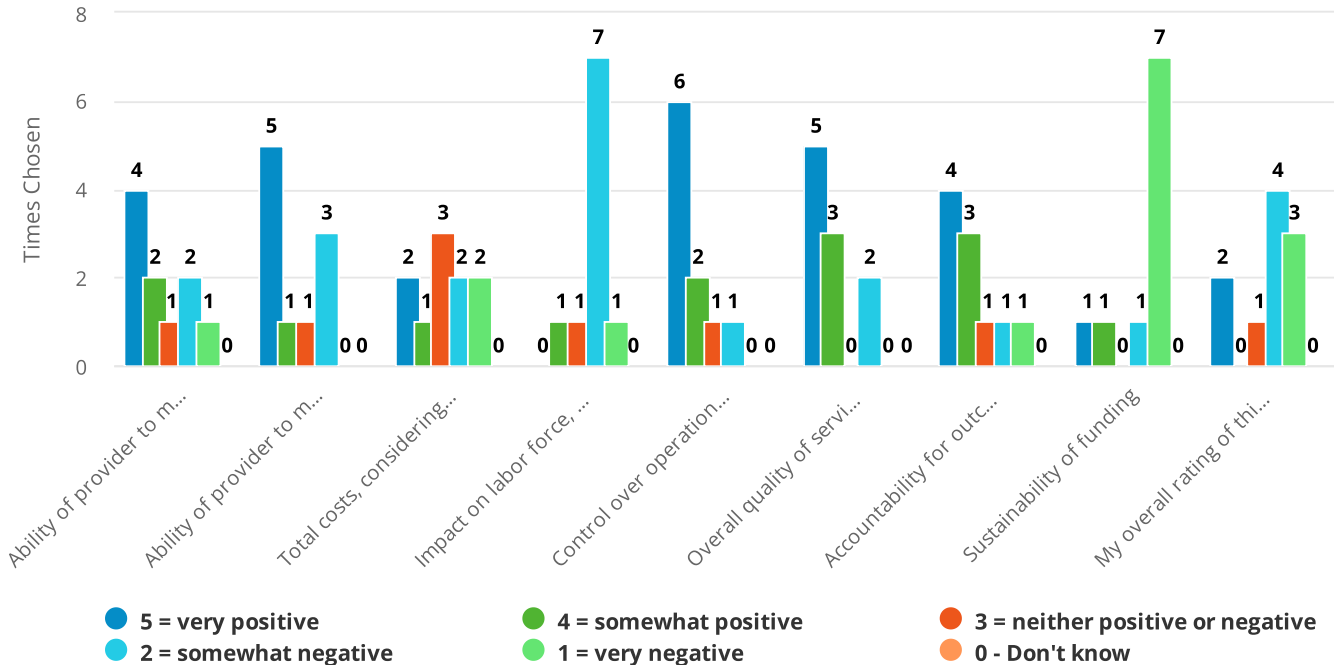
Notes:

- (1) **FTEs** differ depending on the option. Option 1 shows current Tukwila FD staffing. Option 2 assumes 2 FTE added for the Fire Marshal Office and also includes 1 FTE for Public Education. Options 3-5 remove the 3 FTE for enhanced services but add 10 FTE for the administrative staffing needed to support a stand alone agency. Contract Options 6 & 7 show 52 FTE: this is the number that the contract cost is based on; the contracting agencies would absorb all additional Tukwila fire staff and the city would pay for them through a share of other costs (overhead, etc.). In Options 8 & 9, all FTE are part of a larger agency already after the initial contracting phase.
- (2) **Wages & Benefits.** Option 2 data includes wages and benefits for the enhanced services FTEs. Employee costs are updated from the financial plan to assume Fire Marshal office staff are uniformed position, rather than civilian, and reflect an assumption that CARES unit will be contracted from an agency that now has a CARES unit.
- (3) **Reserves/Overhead:** Reserves shown are only those funded in the current city budget, not all the reserves in the financial plan. In Options 6 & 7, reserves are increased to reflect the contract bids which both would require the City contribute to various reserve funds as part of the contract cost.
- (3a) **Other O&M.** O&M is adjusted to reflect vehicles and equipment needs of additional staff.
- (3b) **Retained Costs** differ by option, in that the City must contract for Fire Marshal Office services under Options 3, 4, 5, 8, and 9. Taxpayers will support this cost through their City Taxes.
- (4) **Retained Costs:** No cost is included for remodeling of Stations 53 and 54.
- (4a) **FMO Contract Cost** in Options 3-5 reflect the current FMO costs of the City Fire Dept. Accordingly, these costs were removed from Comparable Expenses for these options W/B as well as Admin OH. In Options 6 and 7, the costs are included in the contract fee. In Options 8 & 9, the costs are pulled from the contract bids.
- (5) **Estimated Total Costs and Total Revenues** do not include one time start-up costs of approximately \$1mm (likely more, depending on structure).
- (6) **FMO Revenue.** Additional revenue can be expected from enhancement of the FMO. Under Option 2, adding the two FTE is assumed to increase FMO revenue by \$300k. This higher amount of total FMO revenue is included in Options 6, 7, 8, and 9.
- (7) **Assessed Value** for Tukwila is assumed to be \$8,031,906,000
- (8) **LEOFF 1** is a retained City cost under all options and will be funded through general city revenues.
- (9) **Other Reserves** includes \$1.09mm in reserves plus a \$5mm loan from City to be repaid over 10 years to fund working capital and cash flow needs.
- (10) **Additional Reserves for RFA.** These additional amounts reflect the fact that, as a part of a much larger agency, the expenses and revenues allocable to, or coming from Tukwila, don't necessarily line up exactly from year to year.

Fire/EMS Community Advisory Committee Options Rating Survey

Option 1: Status Quo

Number of responses: 10



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 7

Text answers:

Doesn't seem feasible or efficient.

The City needs to prioritize the Fire Department and give it the resources it needs for it to be effective. It seems untenable that other departments and projects have been given budget far in excess of what has been allocated to the Fire Department and that important services such as fire inspections have been discontinued. I believe the fire fighters are not happy and would prefer leaving the City because funding of their services had not been made a priority. Additionally, they would receive better pay and benefits at PSRFA. Regarding funding sustainability, the city seems to have a lot of money - revenues are back to pre-pandemic levels (as reported), an additional \$40M is scheduled to be spent on the PW shops (original budget of \$30M, new budget of ~ \$80M), a new multi-million dollar teen/senior center is proposed, additional staff are being added to other departments.

While the Status Quo option maintains the type and quality of service we have now, it does not provide fiscal sustainability for the city's budget (unless it is found that one fire station is not needed) or enhanced services for the city's population. It is very clear that this needs to change and perhaps different management would provide better oversight on the budget.

Financial sustainability and ability to meet the needs of a diverse community is of concern with this option.

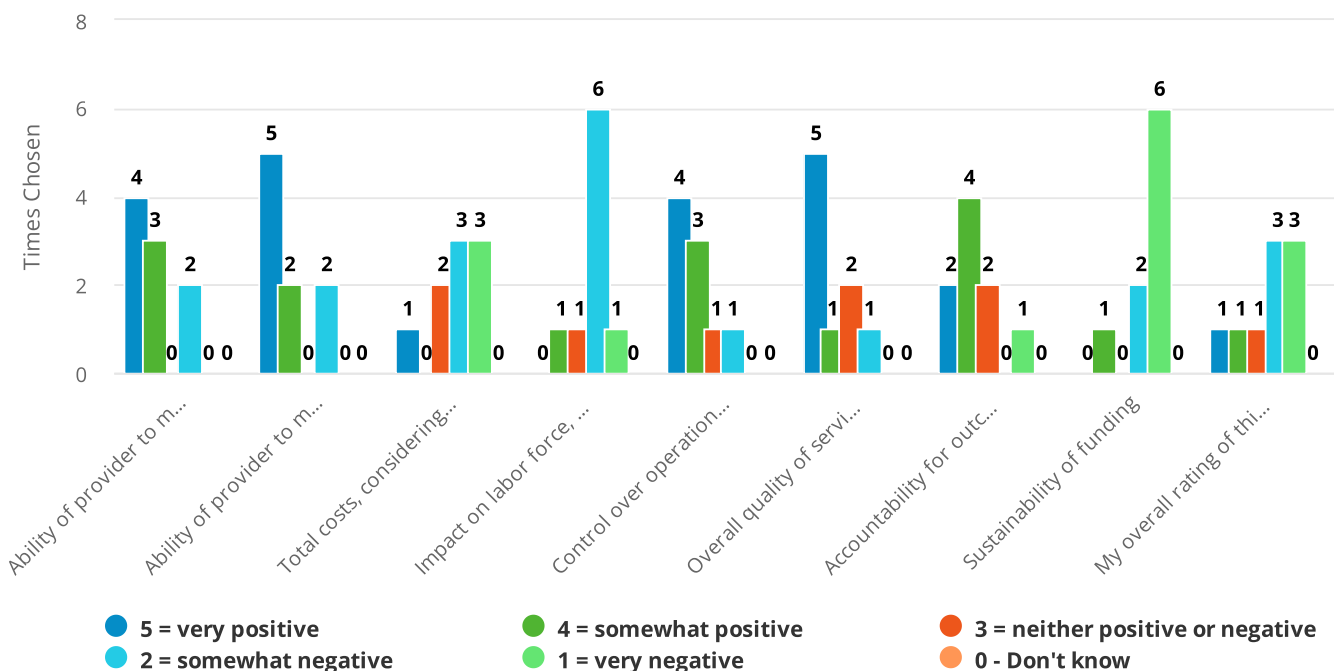
This options provides better local control at a very high total dollars cost--especially if enhanced services are added.

A bigger pool of resources would assist with the diverse needs of the community. With time, ability of meeting needs of businesses will be affected without financial sustainability. There will be a negative impact on labor force recruitment and retention. The one goal all fire departments share is the desire to offer their community the highest quality services possible. Overall control over operational and financial services should be made by the most knowledgeable and experienced professionals in the fire services. This is not meant to criticize, just state facts. Since continually listening to council meetings for a couple years it is obvious to me that the council has their hands full. Much more so as the years have gone by. Very complicated and huge issues on their plates. It is also obvious to me that even council members with years on the council don't have a full understanding of the fire department. How could they with all that they have to deal with now. Operational and financial decisions should be made by the professionals most knowledgeable and experienced in the fire service. Quality of services and response times (which are good) would possibly be affected negatively without financial sustainability in the projected years to come. We need all the enhanced services and this option does not do anything to attain that. Remaining in the status quo does not solve financial sustainability issues in the future. Totally against this option.

This option is simply not sustainable. I have heard some creative options on how to keep the fire department a float and wonder why these options were not previously even suggested or explored which tells me that they are not feasible.

Option 2: Status Quo "Plus" - funding for enhanced services

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 5

Text answers:

The Enhanced Services add ons would provide more of the specific services the city needs but the lack of fiscal sustainability is still a huge reason not to favor this option (unless it is found that one fire station is not needed). Left with the city continuing to manage this I'm concerned the same fiscal forecast will resurface and voters will be back to square one. And yet the positive aspect of this system of oversight makes the council very accountable to Tukwila voters but only if the voters are made aware of it and current councils do not kick the issue down the road.

Ability to meet the needs of a diverse community is still a concern even with the addition of enhancement services.

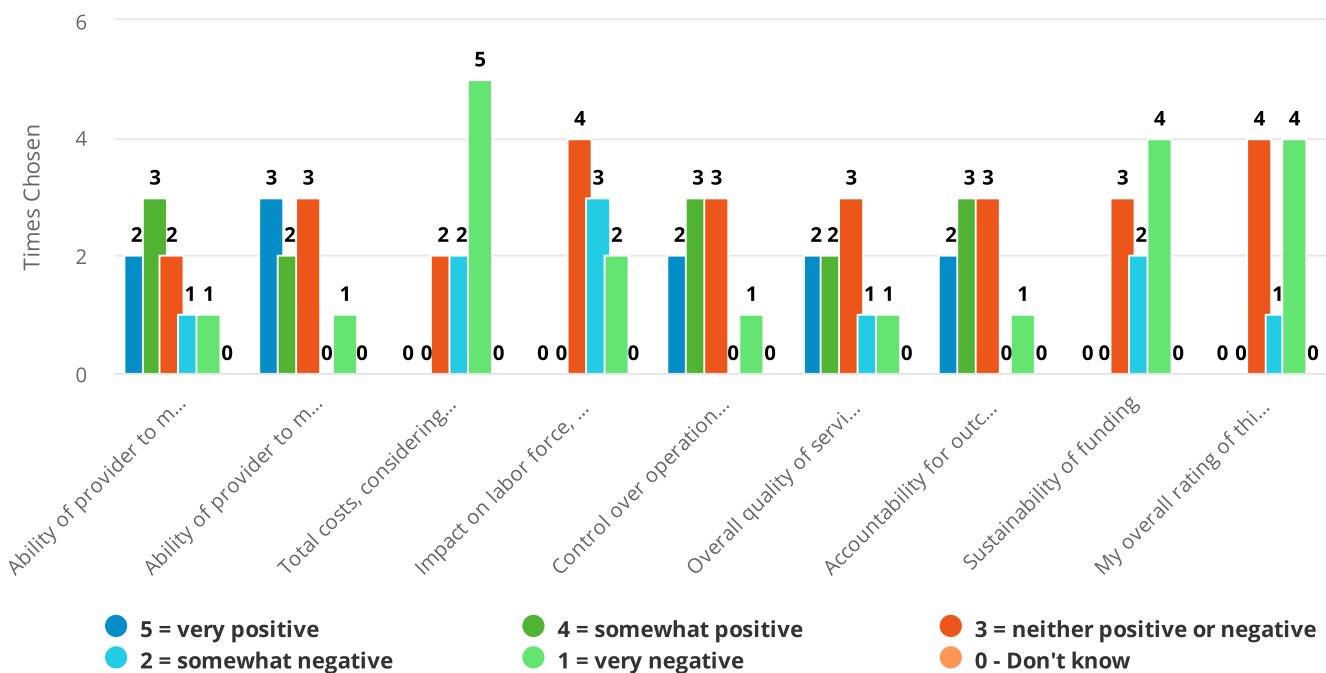
This option is slightly better than Option 1 but at an even higher, unsustainable cost.

A bigger pool of resources would assist with the diverse needs of the community.
With time, ability of meeting needs of businesses will be affected.
There will be a negative impact on labor force recruitment and retention.
The one goal all fire departments share is the desire to offer their community the highest quality services possible. Enhanced services would cost us more and we basically cannot afford it. The community would not receive ALL of these enhanced services as well.
Overall control over operational and financial services should be made by the most knowledgeable and experienced personnel in the fire services.
Quality of services and response times (which are good) would possibly be affected negatively without financial sustainability in the projected years to come.
Accountability and measuring outcomes would possibly deteriorate in the years to come. Overall control over operational and financial services should be made by the most knowledgeable and experienced professionals in the fire services.
Remaining in the status quo does not solve financial sustainability issues in the future nor does paying additional monies for enhanced services.

Again, I fear that if we try to do the enhanced services ourselves, we will be in worse shape than we were with just status quo. Why reinvent the wheel.

Option 3: Create a Tukwila Fire District, funded solely by property taxes (no Fire Benefit Charge)

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 6

Text answers:

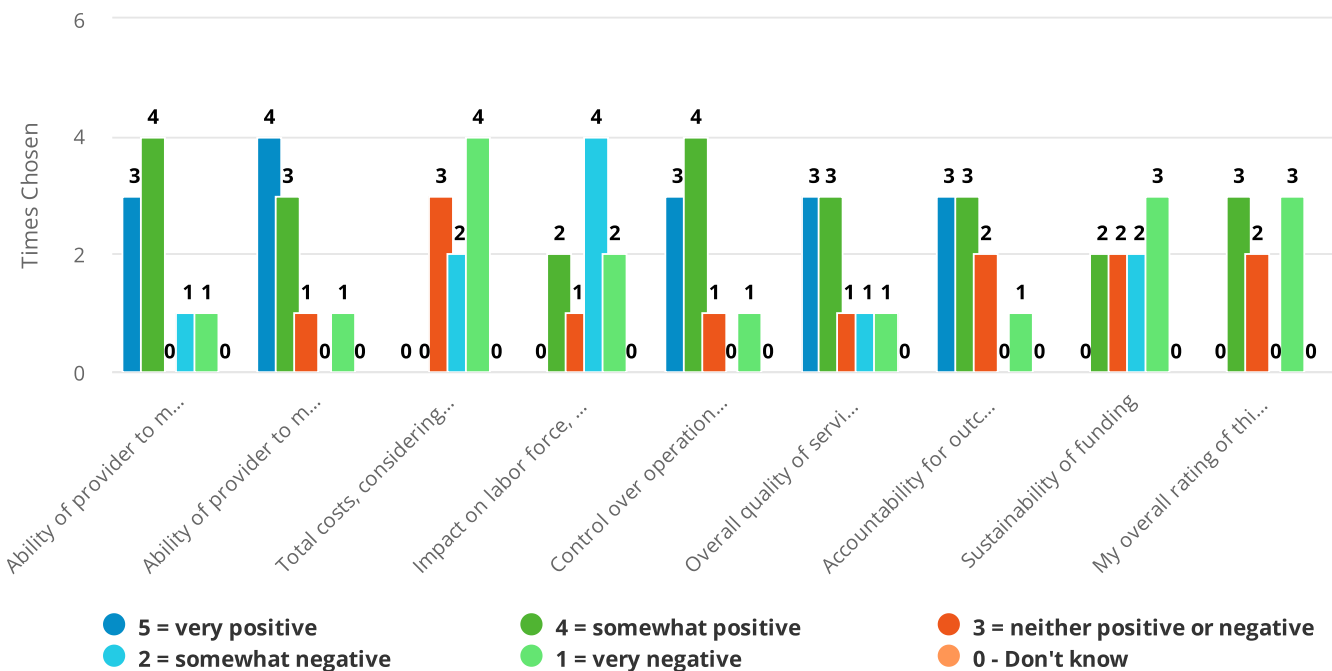
- How much more can we ask the public to fund from property taxes? Not feasible.
- I don't fully understand this option but what I think I heard in the meetings is that this option wouldn't produce sufficient revenue to sustain the fire service.
- Option 3 doesn't improve the quality or type of service provided by the fire department, as the enhanced services are not included, and could even cause a decline (unless it is found that one fire station is not needed). It simply costs too much (even without the enhanced services) and is not fiscally sustainable. It also maintains a reduced share of the costs for properties at greater risk of needing fire services. I think this is a bad time for the government to ask more of taxpayers. And it seems that there has to be some unnecessary overhead costs involved in going back to the voters year after year asking them to secure funding for a very basic government service.
- This option still doesn't fully address the ability to meet the needs of a diverse community. Sustainability of funding depends heavily on property tax and overtime, the cost would still overrun the revenue from property tax + city revenue.

This option is slightly better than Opt's 1 & 2 but is only sustainable from a cost standpoint if citizens vote for property tax lid lifts for fire/public safety. Also, it cost significantly more and still leaves the cost equally shared between residential, multi-family, and business while the cost generations are not equal.

Meeting needs of diverse community would be status quo. Meeting needs of business community could reduce in time with this option. This option too expensive. Labor force does not support this option. The professionals with the most knowledge and experience in the fire service should be making the decisions on operations and finances. No enhanced services with this option. Not a good option for financial sustainability. This option very low in my opinion.

Option 4: Create a Tukwila Fire District, funded by both property taxes and a Fire Benefit Charge

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 4

Text answers:

The projected costs in this scenario are high - would it really cost \$2.6M (per Attachment A - \$1M additional salary and benefit, addition \$730K for Admin Overhead and \$900K for FMO - these costs are included in the wages and benefits of Option 1) to fund the finance department and other administrative services for a Tukwila RFA? If the City were paid to provide these services, it would be added revenue to them. If the City is looking for a financing vehicle, similar to the MPD, this seems the way to go. Regarding sustainability, the FBC would need to be voted on periodically (every 10 years?) and the voters may need to vote to finance apparatus purchases.

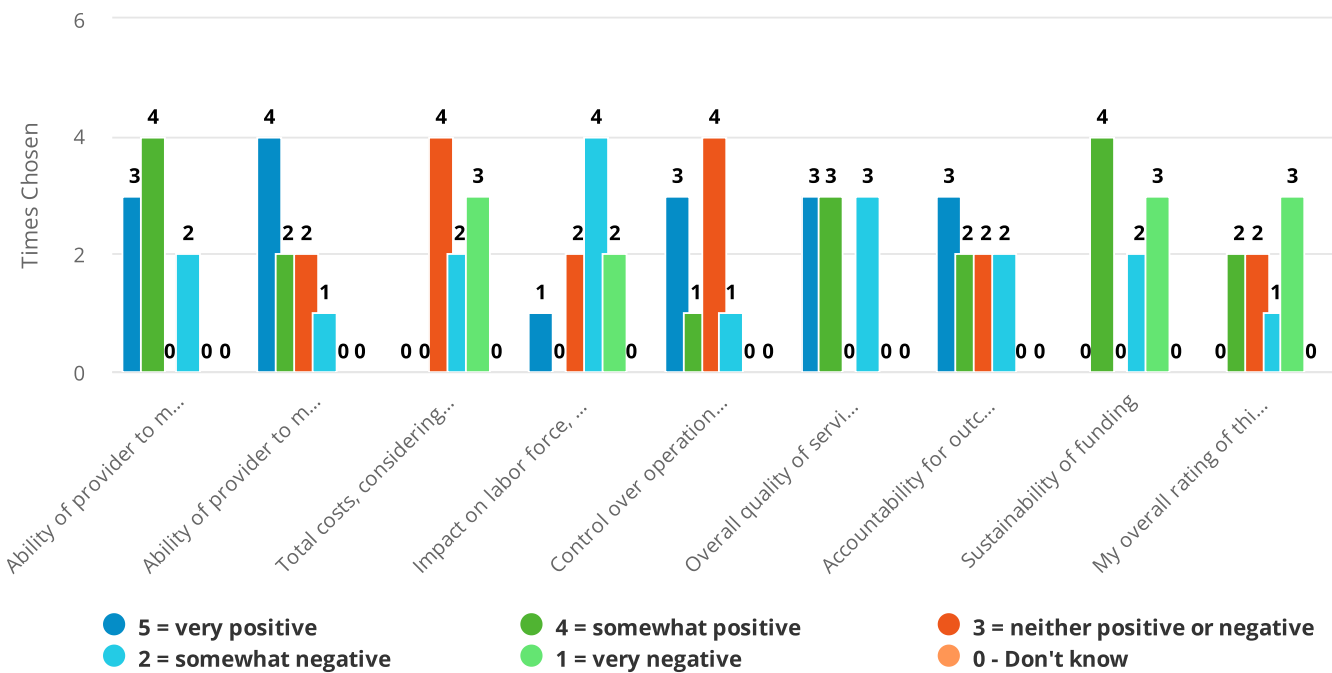
I have the same reservations about Option 4 as Option 3 but see that the Fire Benefit Charge is a step in the right direction for funding stability and distributing the costs for higher risk properties.

This Option is slightly better than Opt 3 because it also includes a Fire Benefit Charge possibility that distributes cost more fairly. It is still very costly.

No enhanced services and would cost more dollars to attain them. This option more expensive.
 Possibility of needs of business community not being met in time.
 Relies on voter approval.
 Labor force does not support this option. Supports enhanced services.
 Am not in favor of this option at all.

Option 5: Partner with another fire service provider to create a Tukwila Regional Fire Authority --- with a Fire Benefit Charge

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 4

Text answers:

Similar comments as Option 3.

I have the same reservations as Options 4 and 3 and the same positive opinion that the Fire Benefit Charge is a step in the right direction for funding stability and distributing the costs for higher risk properties. Maybe accountability would improve with more eyes on the issue?

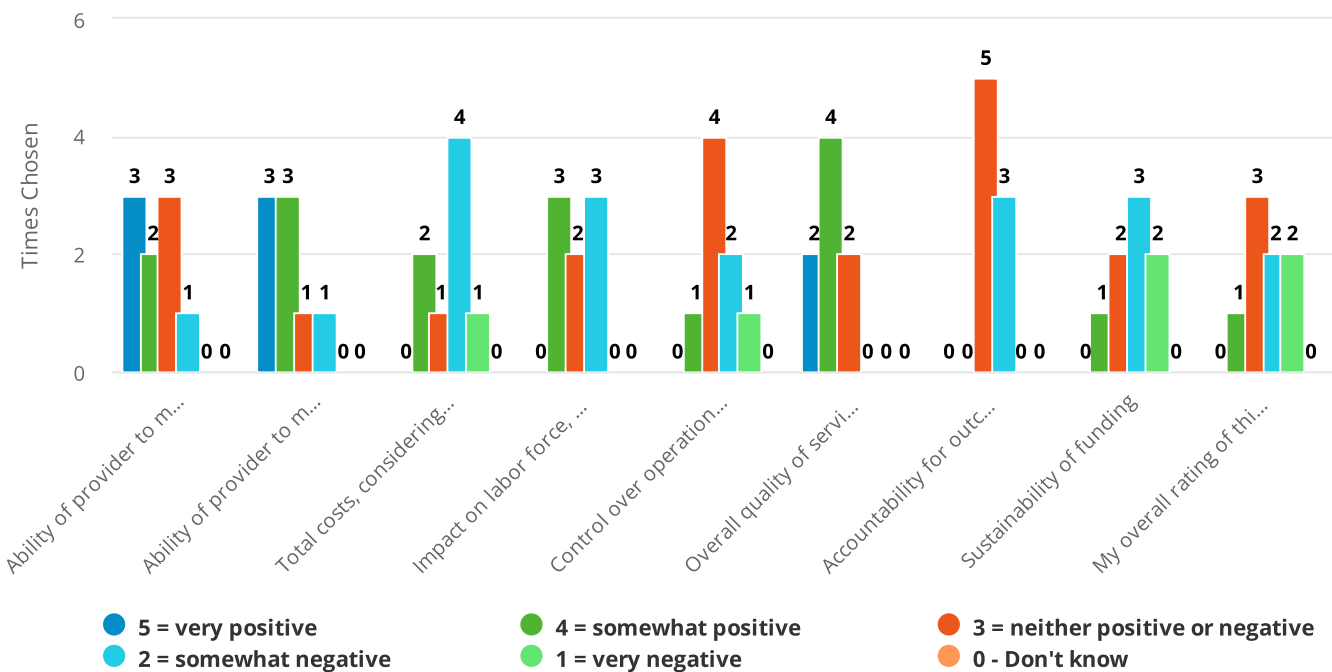
This Option is similar to Opt 4 except the City gives up some control. It is still very costly and requires voter approval of funding increases.

I fear meeting the needs of a diverse community would not be a priority with all that would have to be worked out starting a RFA.

Starting your own RFA would incur costs such as IT support, payroll administrations, personnel server (a very complicated issue) , apparatus maintenance and financially planning for future apparatus replacement and station maintenance and replacement of station 54 for example. This option too expensive as well.

Option 6: Contract for Service with Renton RFA

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 5

Text answers:

Doesn't sound like Renton is interested in this option, so that negates any potential positives of this option.

No going back if this option is selected. No control over service delivery other than through contracting specifications. Expensive in comparison with status quo. Firefighters would most likely prefer this arrangement to status quo - different management, better benefits and pay.

This option really doesn't change anything about fiscal sustainability for the better. I appreciate that enhanced services are provided.

A contract requires the City to transfer Fire staff and equipment to RFA. If, for some reason the costs or services are not satisfactory how does the City go forward to provide Fire Services? The City's negotiating position is rather terrible. This option is totally unacceptable.

Providing to a diverse community not as accessible as PSRFA. The pool of resources are not as varied and extensive. Enhanced Services not as developed.

Our area is so unique with the residential population compared to the 100,000 plus population that comes to Tukwila during the day for business hence experienced in providing for the needs of a large business community. It is hard to compare Renton with this. They are more residential obviously.

Contract required before annexation. More expensive for us that way.

Impact on labor force, Renton RFA is not the preferential option for TFD personnel. They are not rated as "excellent" like PSRFA.

Professionals with the most experience and knowledge in the fire service should have control over the operational and financial decisions.

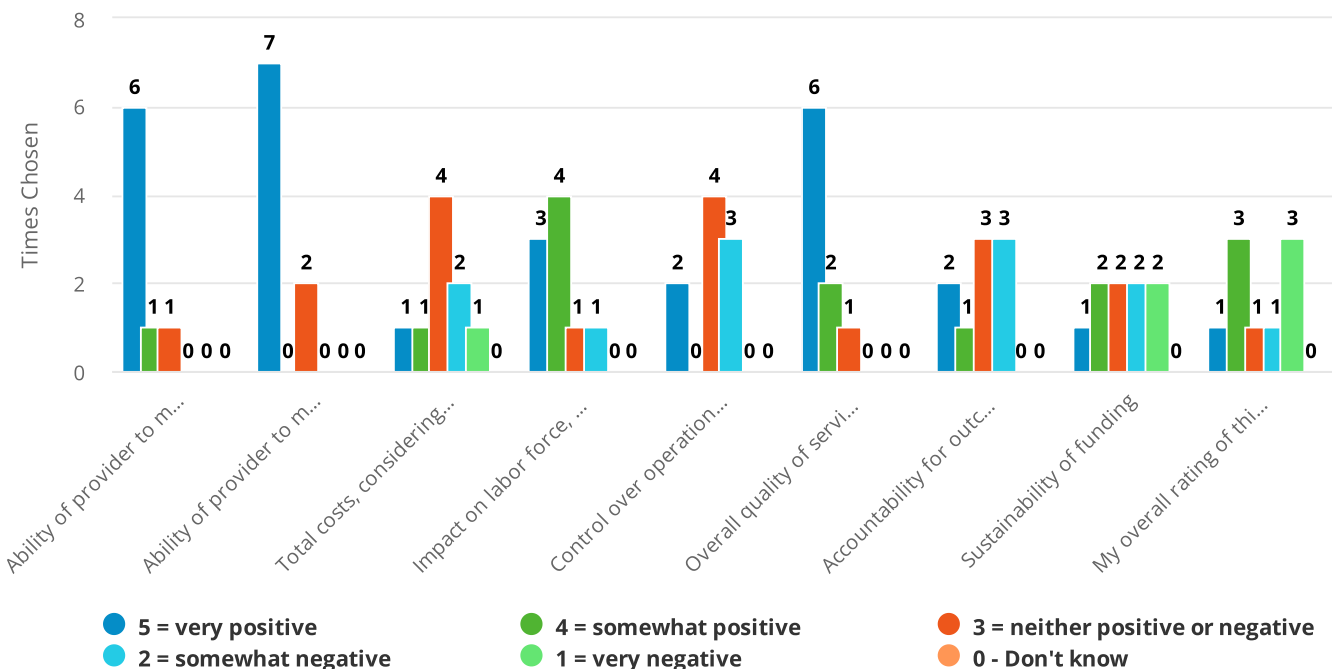
Am unaware of the overall quality of services from Renton Fire. There is more to this than just response times. Enhanced services purchased (Comparing Options 1-9 under service levels, option 6) and unaware of quality of their enhanced services. Their needs are definitely different than ours.

Considered a ladder to financial sustainability but would take much longer than PSRFA.

Overall I would pick this option AFTER PSRFA with and without a contract.

Option 7: Contract for Service with Puget Sound RFA

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 5

Text answers:

No control over decision making so no control over cost containment or service levels. However, Renton's profile is more similar to Tukwila's than Puget Sound's is (complex city, not a lot of rural area) and they seem to be more cost conscious. They are a smaller organization and may be more willing to partner with Tukwila - more of a peer relationship than a top down relationship. I have not heard that they want to close fire station 52, so this is a plus in my opinion

This option really doesn't change anything about fiscal sustainability for the better. I appreciate that enhanced services are provided.

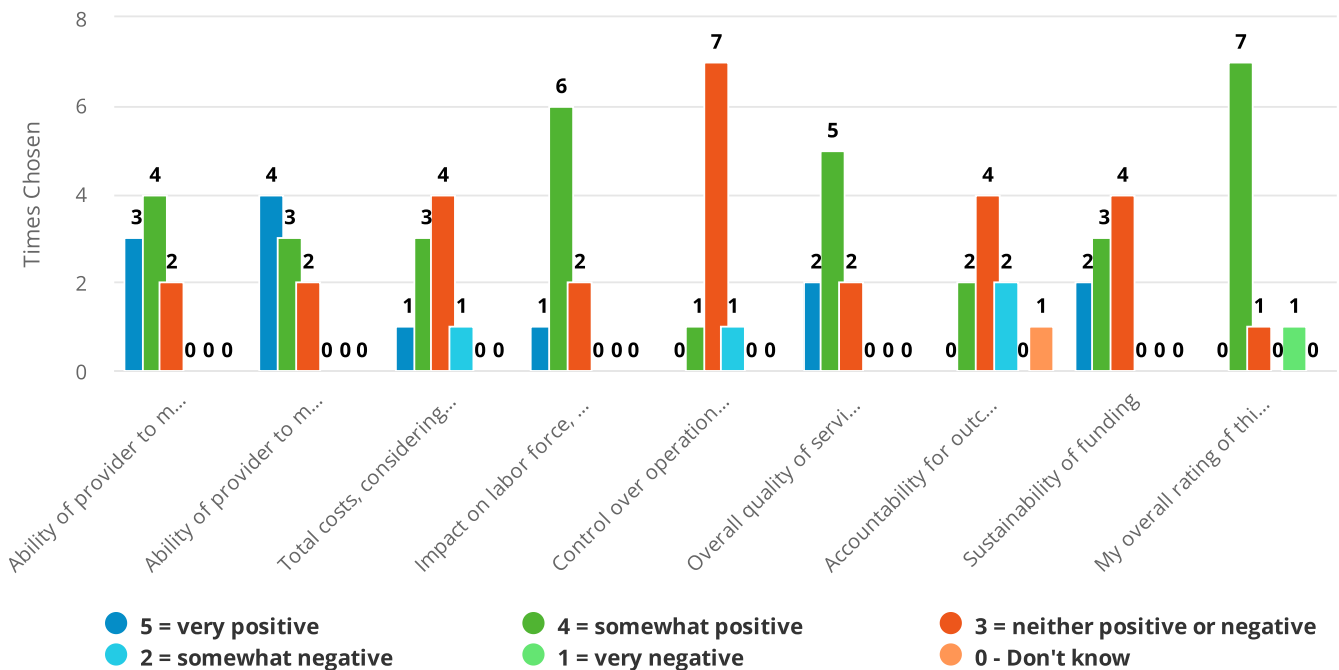
This Option is more costly (in the short term) than Opt 6 and is equally, totally unacceptable for the same reasons.

Have more resources and a bigger pool to draw from to provide for a diverse community and having the enhanced services will benefit this criteria immensely. (Different language's available, CARES, Public Education, Fire Prevention and PIO (Public Information Officer for media etc.)
Additional resources would be available with this option benefiting businesses. It is a fair practice to determine the level of combustible materials in businesses as compared to a home owner and what would be needed for services.
Labor force supports this option.
Control over operational and financial decisions should be made by the professionals most experienced and knowledgeable regarding the fire service.
Quality of services is already good and can only get better with enhanced services. The PSRFA has a great reputation and excellent rating.
This RFA has been in operation for over a decade and has established accountability and measuring of outcomes.
This is the best option for sustainability of funding due to sharing of resources, only paying one Chief and getting all three enhanced services.
TFD is already participating with PSRFA in training, Zone 3 operations ,fleet maintenance and the Fire Marshalls office. This is a definitely an advantage to joining PSRFA with already established operations.
This is my next choice of options if we cannot immediately annex into PARFA

I think in order to get to annexation we are going to have to have a contract first. If not, how do we get to annexation without having to fund the fire department for another at least two years?

Option 8: Annex into Renton RFA (after first entering into a service contract)

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 5

Text answers:

Renton doesn't sound interested, so this is not a viable option.

No control over decision making so no control over cost containment or service levels. However, Renton's profile is more similar to Tukwila's that Puget Sound's is (complex city, not a lot of rural area) and they seem to be more cost-conscious. They are a smaller organization and may be more willing to partner with Tukwila - more of a peer relationship than a top-down relationship. I have not heard that they want to close fire station 52, so this is a plus in my opinion but of course, they could decide this later unilaterally. No recourse if this option doesn't work. Voter's may not agree - property taxes have doubled in the last 5 years and there is some discontent about how the PSP was handled.

This positive aspects of this option are it 1) provides a secure source of funding outside of the city's responsibility, thus making the fire departments expenses sustainable, 2) provides enhanced services that are better able to serve the most common EMS needs of our residential and business communities, 3) comes in at a reasonable cost when compared to some of the options 3, 4, and 5 and is comparable to the other options, and 4) provides a FBC which distributes the cost of fighting a fire more equitably.

This option provides excellent service combined with sustainable, equitable costs. It is acceptable to me.

Providing to a diverse community not as accessible as PSRFA. The pool of resources are not as varied and extensive. Enhanced Services not as developed.

Our area is so unique with the residential population compared to the 100,000 plus population that comes to Tukwila during the day for business hence experienced in providing for the needs of a large business community. It is hard to compare Renton with this. They are more residential obviously.

Contract required before annexation.

Impact on labor force, Renton RFA is not the preferential option for TFD personnel. They are not rated as "excellent" like PSRFA.

Professionals with the most experience and knowledge in the fire service should have control over the operational and financial decisions.

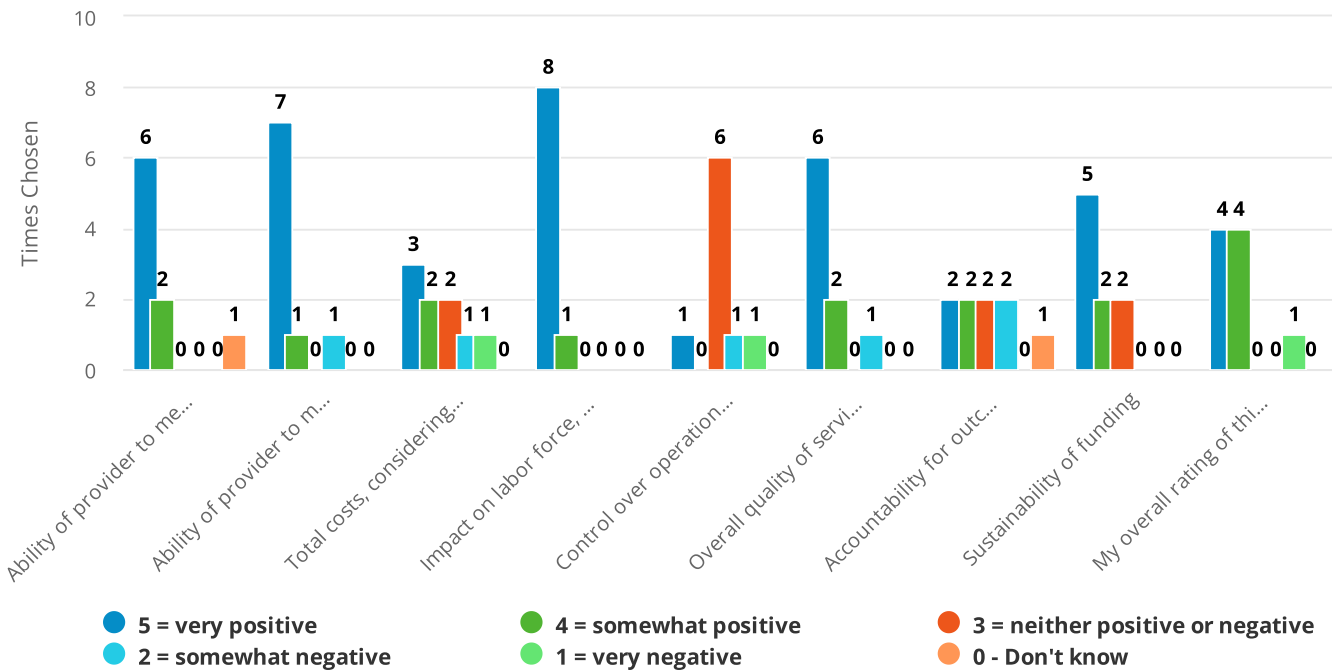
Am unaware of the overall quality of services from Renton Fire. There is more to this than just response times.

Considered a ladder to financial sustainability but would take much longer than PSRFA.

Overall I would pick this option 3rd after PSRFA with and without a contract.

Option 9: Annex into Puget Sound RFA (after first entering into a service contract

Number of responses: 9



Comments: please provide some commentary about your overall rating of this option.

Number of responses: 7

Text answers:

This makes sense, as we would have the enhanced services, as well as partnering with a well-established RFA. We can start with a contract, and then build the program over a couple of years.

The City would lose control over decision-making and thus control over costs and services; PSRFA has stated they would eliminate fire station 52 which would adversely impact City safety, especially for those who live on Tukwila Hill (in the FS 52 area, 3 people lost their lives due to fire in 2021 and several families, 37 - 40, were

displaced due to another fire in 2020 - examples of the fire threat and consequences); PSRFA costs are high compared with Renton and in general. Since the PSRFA's FBC is permanent, they have the ability to continue to increase costs in tandem with property values increases, and again, the City would have no control over this. Tukwila is a more dense, complex city compared with the PSRFA area - we do not have large areas of sparsely populated, rural land; we do have a huge gas line that extends east/west beneath the central business district and other high risk situations - and would be better served by Renton RFA if the decision is made to annex. My first choice continues to be the status quo with a more robust FMO (could this be contracted out? Fire inspections are a high priority), Cares services from Renton (cost would be covered by the \$100K from King County) and contracted educational services or use of City's existing communication group.

As with Option 8 the positives aspects of Option 9 are it 1) provides a secure source of funding outside of the city's responsibility, thus making the fire departments expenses sustainable, 2) provides enhanced services that are better able to serve the most common EMS needs of our residential and business communities, 3) comes in at a reasonable cost when compared to some of the options 3, 4, and 5 and is comparable to the other options, and 4) provides a FBC which distributes the cost of fighting a fire more equitably. Additionally, it seems to be what the fire fighters want as it will probable provide higher wages and better working conditions/hours per week and has a FBC that does not have to go back to the voters for approval, making it more sustainable.

With a larger consortium with shared personnel, there is greater ability to meet the needs of a large and diverse community. This option gives me more confidence in meeting this criteria. Additionally, it would provide the most impact on the labor force by having more personnel on duty at one time to alleviate the hardship experience by firefighters. This option and the contract into PSRFA are my top two options.

This option also provides excellent service combined with sustainable, equitable costs. It is my first choice for two reasons. First, our FF's prefer it. Second, the PSFA provides service to Seatac which is a neighboring city and we can logically share fire stations. It is acceptable to me.

Have more resources and a bigger pool to draw from to provide for a diverse community and having the enhanced services will benefit this criteria immensely. (Different language's available, CARES, Public Education, Fire Prevention and PIO (Public Information Officer for media etc.) Their enhanced services are established and have a good reputation. They will also share in Hazardous Material operations, Technical Rescue (Water and Rope) for example because they are already established in our region. Additional resources would be available with this option benefiting businesses. It is a fair practice to determine the level of combustible materials in businesses as compared to a home owner and what would be needed for services.

Labor force supports this option.

Control over operational and financial decisions should be made by the professionals most experienced and knowledgeable regarding the fire service. Easier for a dedicated entity to plan for future knowing requirements needed.

Quality of services is already good and can only get better with enhanced services. The PSRFA has a great reputation and excellent rating.

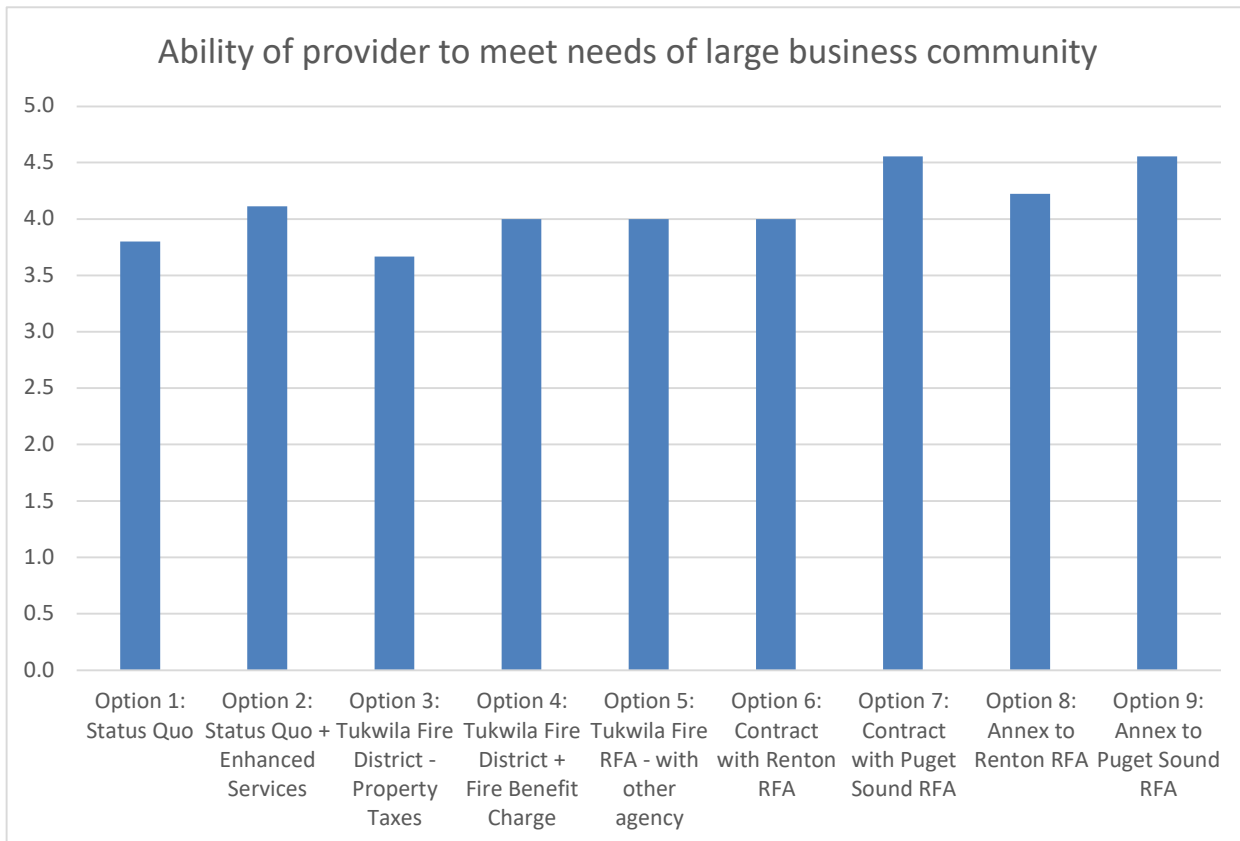
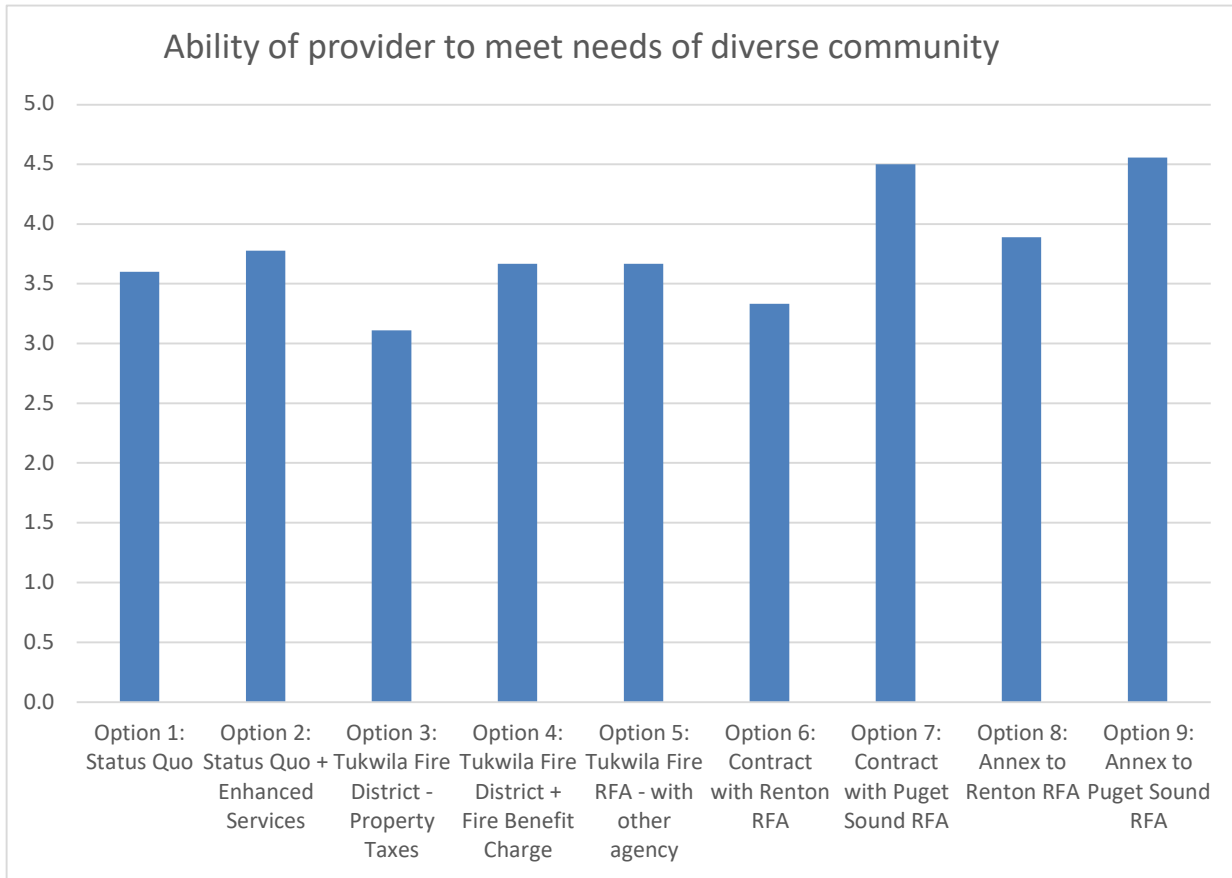
This RFA has been in operation for over a decade and has established accountability and measuring of outcomes.

This is the best option for sustainability of funding due to sharing of resources, only paying one Chief and getting all three enhanced services. TFD is already participating with PSRFA in training (very important) , Zone 3 operations ,fleet maintenance and the Fire Marshalls office. This is a definitely an advantage to joining PSRFA with already established operations.

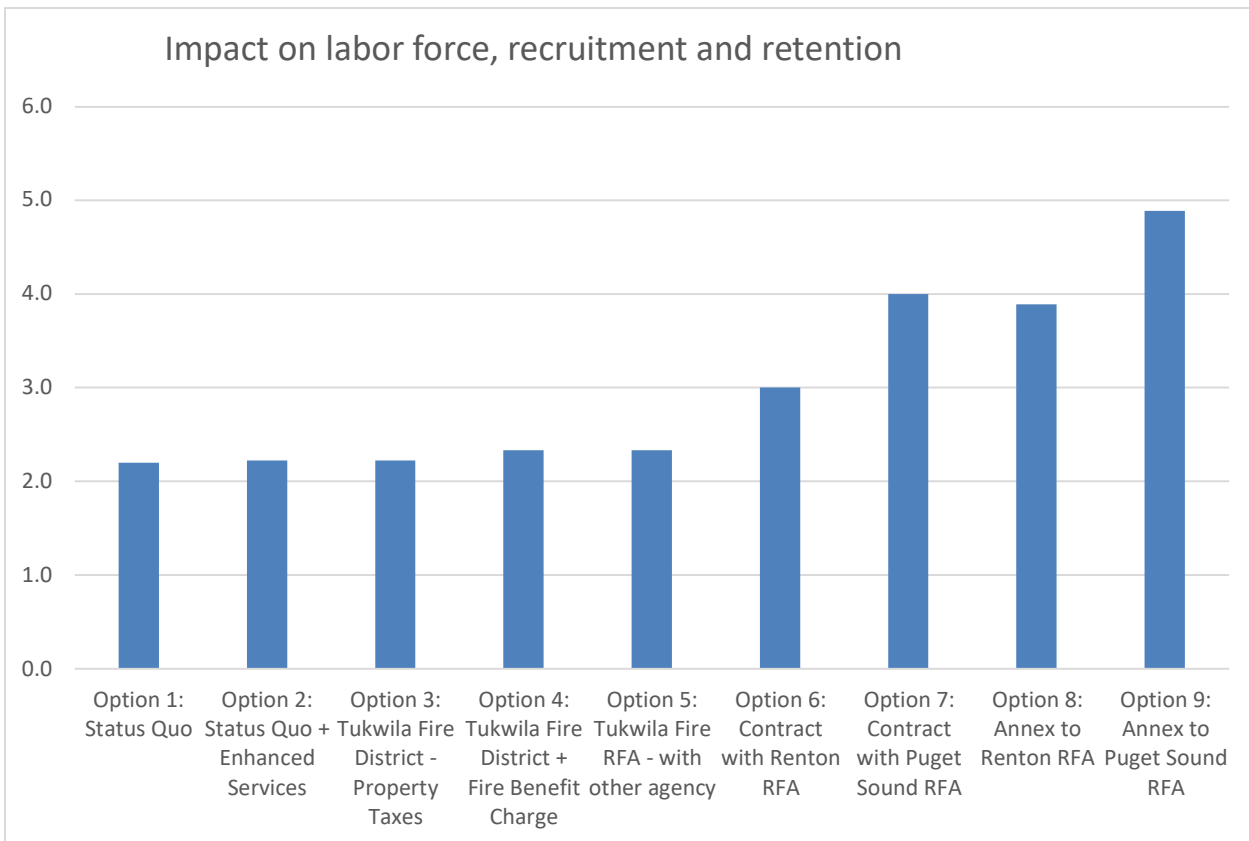
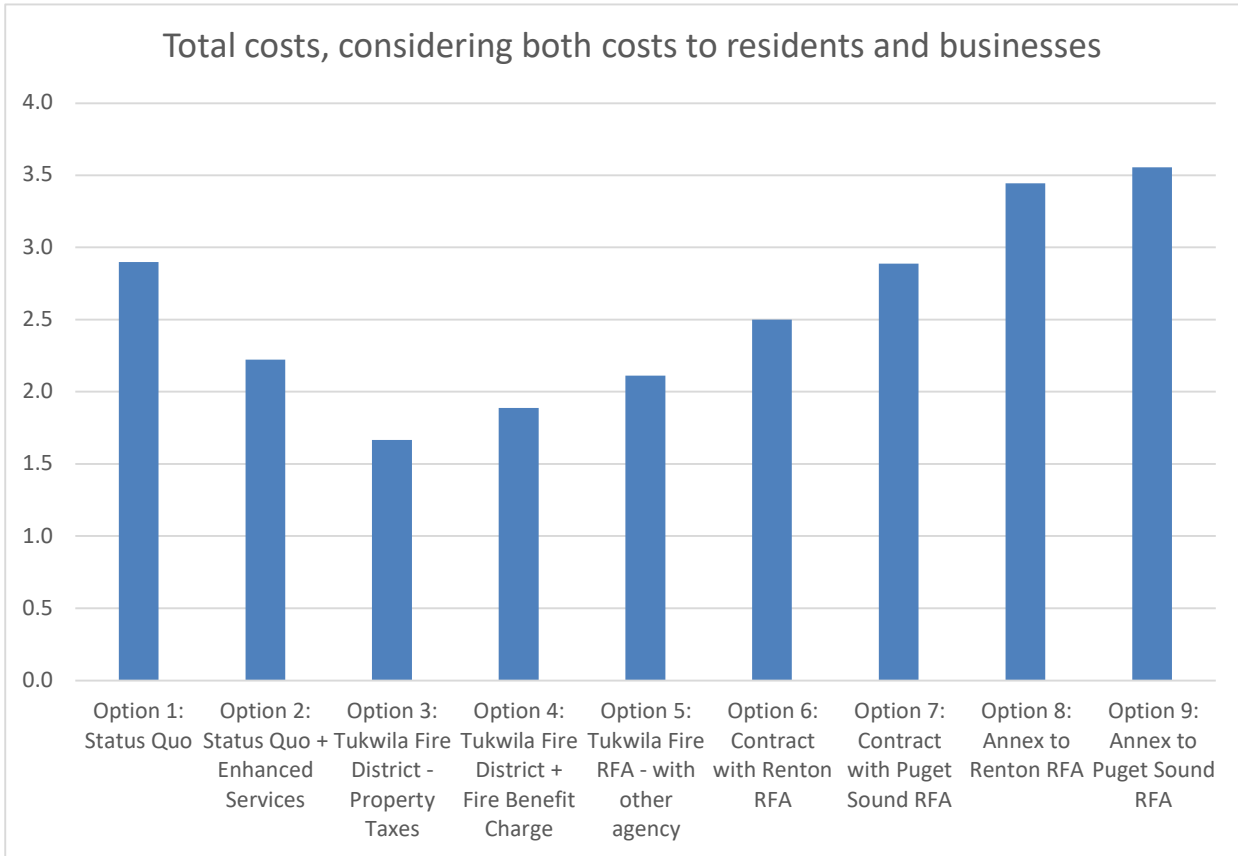
This is my first choice option.

I think this is the way to go. My only worry, as I said in the contract option, is we have to figure out how to fund fire while we move to annexation. Also, the only way this will work is with full support of the union, the administration, and the council.

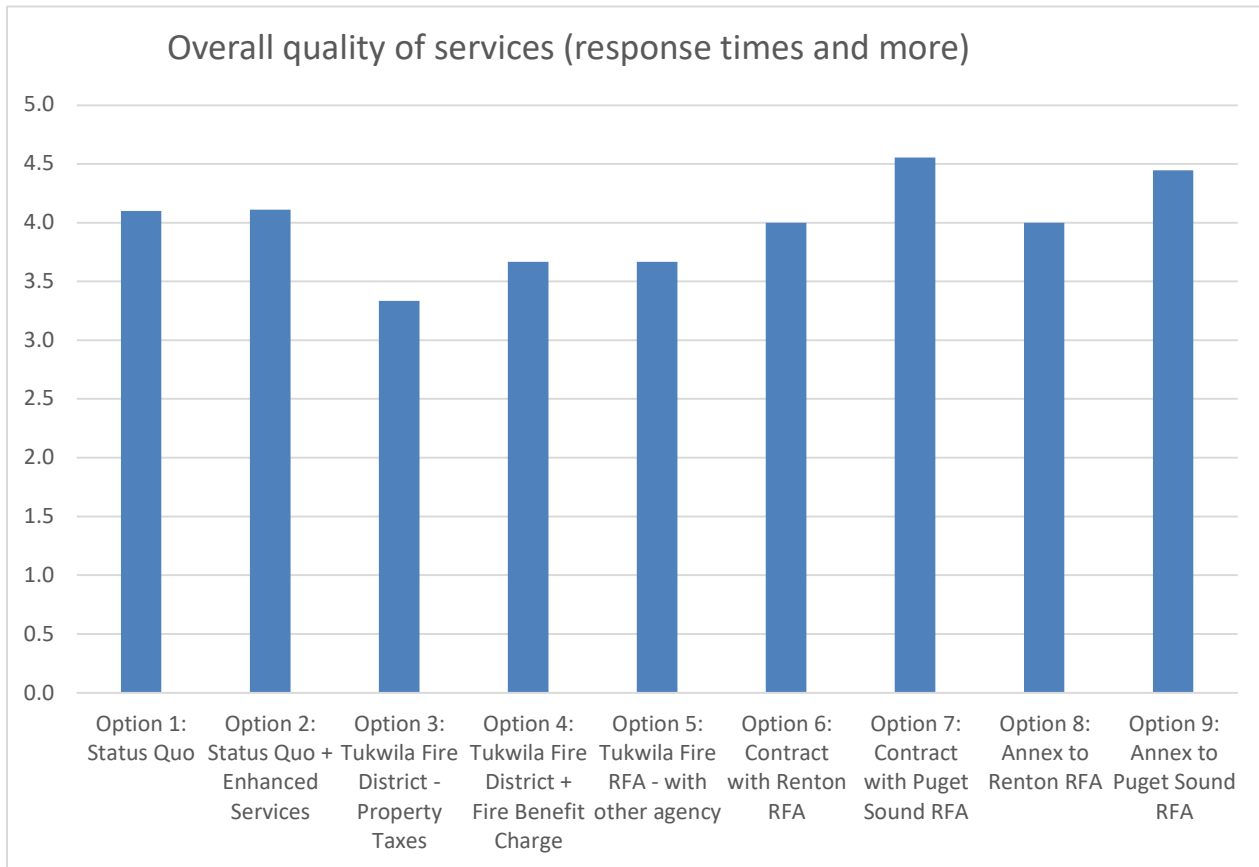
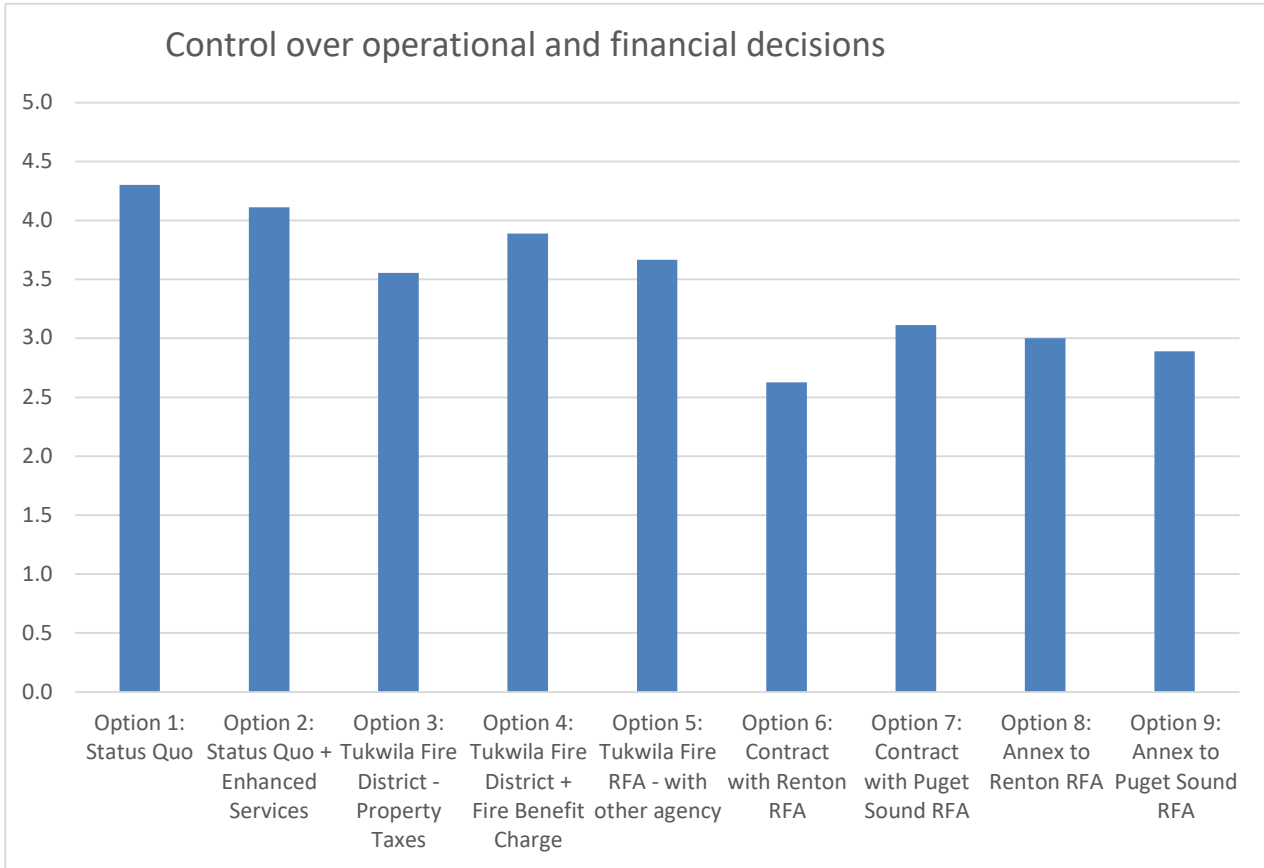
2022 Survey Results: Tukwila Fire/EMS Community Advisory Committee
Weighted Averages



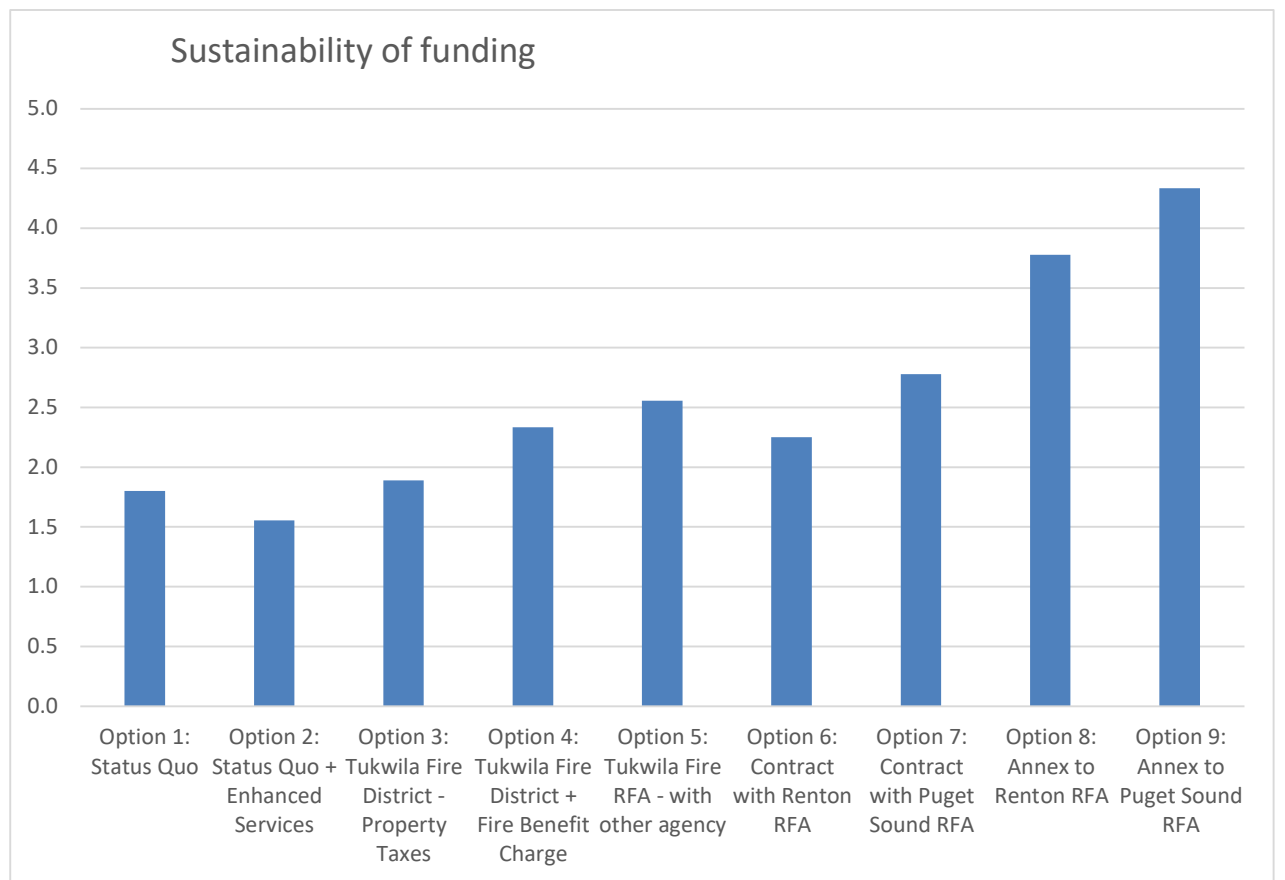
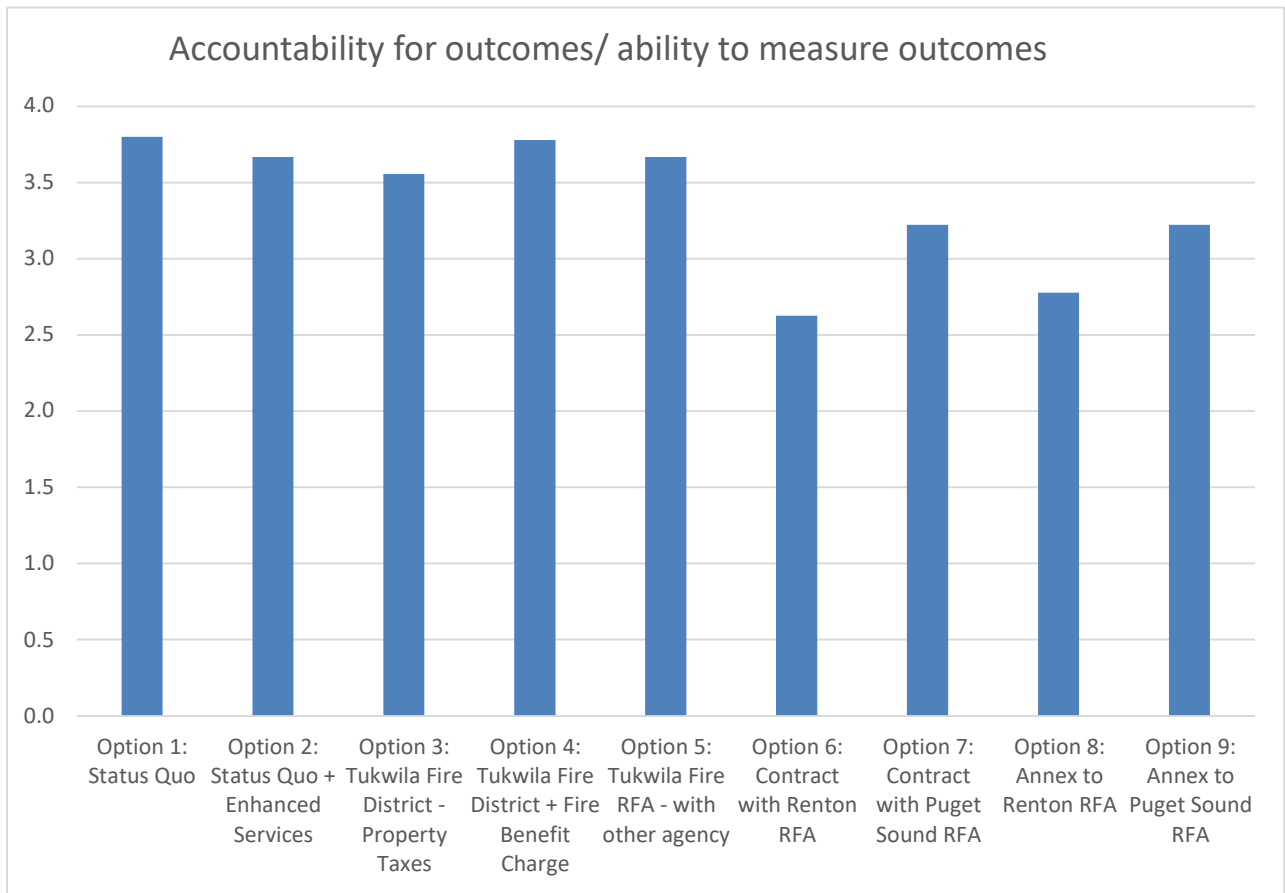
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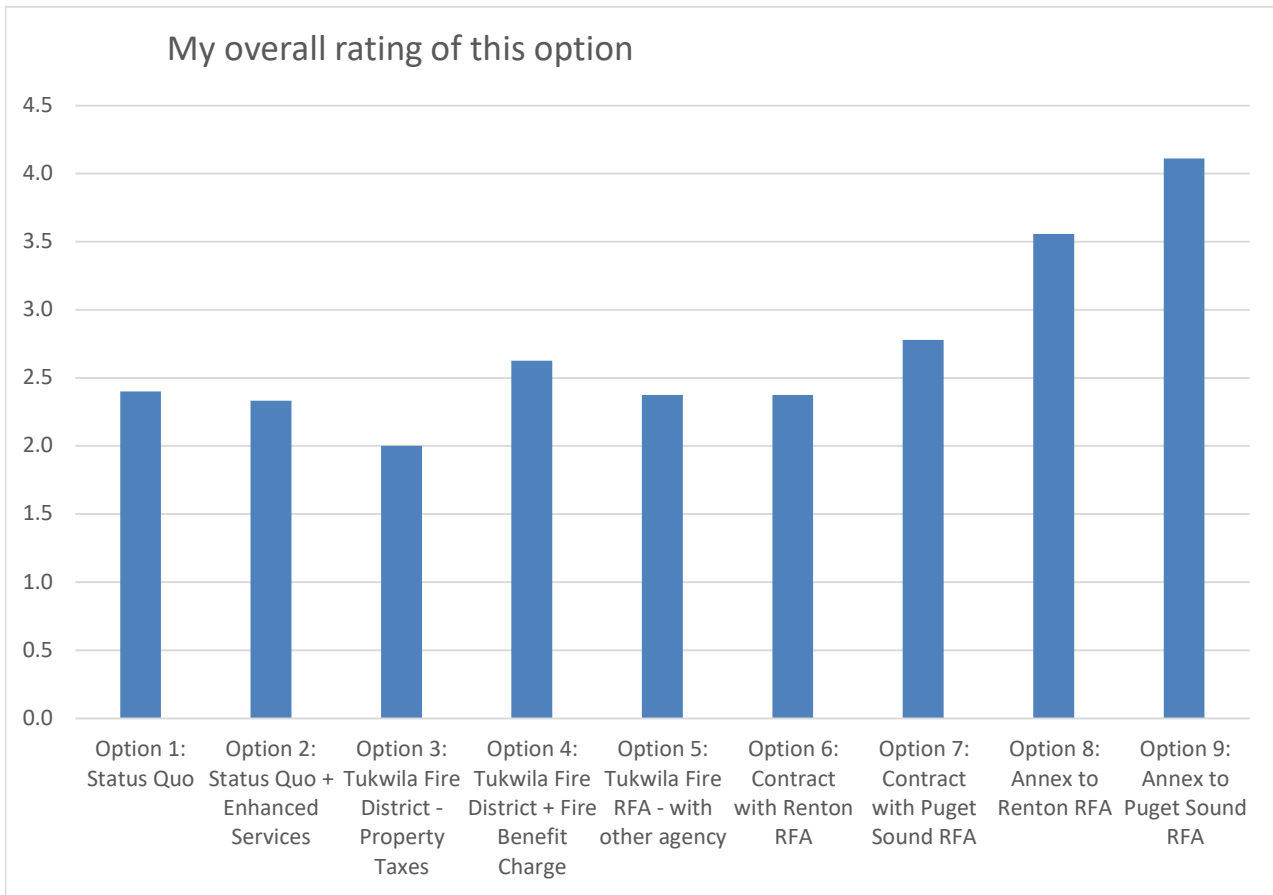
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Weighted Averages



2022 Survey Results: Tukwila Fire/EMS Community Advisory Committee
Weighted Averages



City of Tukwila Future of Fire/EMS Community Advisory Committee

Survey Results Summary

Total Reponses: 10

Numbers reflect Weighted Average by Response - 5 = 5 points, 1 = 1 point

#	Questions	Option 1: Status Quo	Option 2: Status Quo + Enhanced Services	Option 3: Tukwila Fire District - Property Taxes	Option 4: Tukwila Fire District + Fire Benefit Charge	Option 5: Tukwila Fire RFA - with other agency	Option 6: Contract with Renton RFA	Option 7: Contract with Puget Sound RFA	Option 8: Annex to Renton RFA	Option 9: Annex to Puget Sound RFA
1	Ability of provider to meet needs of diverse community	3.6	3.8	3.1	3.7	3.7	3.3	4.5	3.9	4.6
2	Ability of provider to meet needs of large business community	3.8	4.1	3.7	4.0	4.0	4.0	4.6	4.2	4.6
3	Total costs, considering both costs to residents and businesses	2.9	2.2	1.7	1.9	2.1	2.5	2.9	3.4	3.6
4	Impact on labor force, recruitment and retention	2.2	2.2	2.2	2.3	2.3	3.0	4.0	3.9	4.9
5	Control over operational and financial decisions	4.3	4.1	3.6	3.9	3.7	2.6	3.1	3.0	2.9
6	Overall quality of services (response times and more)	4.1	4.1	3.3	3.7	3.7	4.0	4.6	4.0	4.4
7	Accountability for outcomes/ ability to measure outcomes	3.8	3.7	3.6	3.8	3.7	2.6	3.2	2.8	3.2
8	Sustainability of funding	1.8	1.6	1.9	2.3	2.6	2.3	2.8	3.8	4.3
	My overall rating of this option	2.4	2.3	2.0	2.6	2.4	2.4	2.8	3.6	4.1

Cells are shaded to denote the two highest (green) and two lowest (peach) ratings in each row.

Overview/Recap of the Approaches that the Two RFAs have taken in Existing Service Contracts

April 2022

Item	Puget Sound RFA	Renton RFA
Contract Bid given to Tukwila <i>Note:</i> these numbers are preliminary, subject to refinement and negotiation	\$14.2M <ul style="list-style-type: none"> There may be an opportunity to reduce the PSRFA reserves cost since the City's equipment, apparatus and 2 of 4 facilities are in very good shape 	\$14.4M <ul style="list-style-type: none"> we know RRFA's number exclude some costs—particularly some labor costs and dispatch costs
Who else does the RFA contract with?	Maple Valley Fire District City of SeaTac	Fire District 40
Governance	Contract agencies have a nonvoting seat on the governance board. A liaison to the contract agency is also identified.	
What happens to the City's fire department employees?	They all go to the RFA, except the Chief and possibly the deputy chief. Staff transferred retain rank and do not take a pay cut.	
What does the City pay for?	<ul style="list-style-type: none"> In both cases, the City would pay for the operational staff needed to operate the 4 city stations at current staffing levels. This is 52 Firefighters (13 per day (4-shifts)) The other firefighters at the City go over to the RFA and are absorbed in different parts of the agency but aren't charged back to the City The RFAs charge overhead for capital/equipment/apparatus reserves. The allocation formulas are different for each overhead item and differ as between the two agencies. 	
How long will the proposed contract term be? How soon could the City terminate if it wanted to? <i>Note:</i> The terms are subject to negotiation.	The Sea Tac contract & Maple Valley contracts are for 20 years. They cannot be terminated in the first five years except for material breach. Thereafter, voluntary termination requires 2 years advance notice	The FD 40 contract is for 20 years. It cannot be terminated in the first 8 years except or material breach. Thereafter, voluntary termination requires 3 years advance notice.
What do the contracts say about annexation? <i>Note:</i> this would be a topic for negotiation	The contracts do not make reference to annexation.	The contract with FC 40 does not make any reference to annexation
What do the contracts say about what happens to firefighters if the City ends the contract? <i>Note:</i> the terms are subject to negotiation.	The City is required to make the RFA whole for some accrued employee costs. If the termination happens after the first 7 years but before the first 15 years of the contract, and: <ul style="list-style-type: none"> the City re-establishes its fire department, 	Not discussed since no FD 40 employees were transferred as part of the current contract.

Item	Puget Sound RFA	Renton RFA
	<ul style="list-style-type: none"> • the RFA fires employees as a result of the contract ending • “the City has sufficient resources” <p>..then, the City is required to rehire up to the number of employees required for minimum staffing under the contract that are laid off by the RFA (those employees could decline the offer and go elsewhere). Additional staff above that amount that are laid off have an option to seek employment with the City.</p> <p>If the termination happens after the first 15 years, and layoffs will happen, the RFA must give all personnel the option to transfer to the City in order of seniority. If additional layoffs still needed, City must offer employment to those folks before hiring other personnel.</p> <p>If the City isn’t seeking to re-establish its fire department, the parties will “work cooperatively and make reasonable efforts to place any laid off employees with the entity that becomes responsible” for fire service delivery in the City.</p>	
Payments	<p>SeaTac is invoiced quarterly.</p> <p>There is an annual true-up in the contract amount if the billing for the prior year was lower or higher than the actual expenses incurred by the RFA—the difference is applied to the SeaTac bill the next year.</p>	<p>Semi-annual invoices.</p> <p>No true-up of expenses.</p>
Title to stations, apparatus	<p>Apparatus title is transferred. Equipment is transferred. These could be sold back to the original entity. Facilities are leased or transferred</p>	

Fire Benefit Charge—Deeper Dive

Prepared for Future of Fire/EMS Community Advisory Committee / Meeting 5 / February 15, 2022

What's a Fire Benefit Charge?

A Fire Benefit Charge (FBC) is an alternative supplemental funding mechanism governed by Chapter 52.18 RCW. Unlike the property tax, which is based on the value of both building structures and land, the FBC is imposed only on the improvements to real property and must be reasonably apportioned using a formula that considers the amount of services required to serve these properties. Only parcels with improvements are subject to the Benefit charge. The FBC *does not take into consideration the value* of the improvements.

If a FBC is imposed, the General (Fire) Property Tax levy cannot exceed \$1.00 per \$1,000 (rather than \$1.50 if there is no FBC). The Benefit Charge does not affect the EMS levy rate an agency may impose.¹

Before it can be imposed, a FBC must be voter approved (60% favorable vote, without validation). Collections can be increased by the Board of Commissioners from year to year without voter approval but cannot exceed 60% of the agency operating budget. There is no 1% cap on the amount that can be collected year to year as is true with property tax.

The initial FBC is authorized for six years and needs to be reapproved by voters every six years. The reauthorization requires a simple majority vote. Recent changes in state law allow voters to approve 10 year or permanent reauthorizations of the FBC- but these require 60% approval.

Annually, the board of fire commissioners sets the amount to be collected from the FBC and confirms the formula. The total revenue collected from the FBC cannot exceed 60% of the operating budget. Typically, the basic formula approach stays the same, but the total collected increases to address the shortfalls in the budget not addressed by property tax.

So, what's the formula?

The basic formula is somewhat inscrutable to the average person, but it is based on a nationally accepted approach to calculate the amount of fire flow needed to put out a structure.

Specifically, FBC formulas typically include the following components:

- A. The Square Footage of improvements
- B. Fire Flow (SQRT(Sq. Ft.) x 18) – incorporating square footage
- C. Structure Category Weight Factor
- D. Cost per gallon
- E. Discounts (sprinklers, seniors and low income)

An oversimplified formula is presented below:

$$\text{Square Footage} \times \text{Fire Flow} \times \text{Cost per Gallon} \times \text{Structure Category Weight Factor} \times \text{Discount or Additional Risk Charge} = \text{FBC}$$

¹ If there is a County EMS levy—as in King County—local fire agencies cannot impose their own EMS levy.

Walk me through this...how is my cost determined?

The major driver of the FBC for any property owner is the size of the improvements on their property, and the category of structure type (residential, commercial, etc.).

Square Footage

This information is from the County assessor and includes not only primary residences/structures (including garage), but outbuildings on property as well.

Fire Flow

Fire Flow is the gallons of water required to put out a fire. It is calculated based on the formula **SQRT(Sq. Ft.) x 18**. (square root of the square footage of improvements multiplied by 18). This is a nationally recognized formula for calculating fire flow. (Ref: *NFPA Handbook, 18th Ed., Ch 6, Water Flow Requirements for Fire Protection*)

Structure Categories & Weights

Once the structure categories are identified, they are refined by the application of a weighting factor. Each category is assigned a weighted value that results in a targeted and defined portion of the benefit charge. In other words, the structure category weights define how much of the total benefit charge will be paid by each structure category.

Sample categories:

Single Family Residential
Mobile Home
Multi Family
Small commercial
Medium commercial
Large commercial

Cost Per Gallon

The cost per gallon is determined by dividing the total fire flow by the Dollar amount of the Benefit Charge.

Discount or Additional Risk Charge

Statutes allow for discounts for structures that have sprinkler systems. By statute, senior and low income discounts are also applied.

Some agencies have additional risk charges for particularly hazardous structures – for example, commercial gas storage.

Exemptions

State law exempts various types of property entirely from the FBC, such as, schools, church's, public and nonprofit low income housing, and government structures.

An oversimplified picture of how the FBC comes together

<p>1. Identify categories of structures you will use in your FBC formula. Typical set below</p>	<p>2. Identify square footage and type of each structure in your jurisdiction and place it in the appropriate category</p>	<p>3. Determine the weighting for each category (Board sets the weights)</p>	<p>4. Identify any discounts applicable to the property – Sprinklers? Identify any risk surcharges</p>	<p>5. Do the math!</p>						
<p>Sample list:</p> <table border="1" data-bbox="241 690 562 971"> <tr><td>Mobile Home</td></tr> <tr><td>Single Family Residential</td></tr> <tr><td>Multi family</td></tr> <tr><td>Small commercial</td></tr> <tr><td>Medium commercial</td></tr> <tr><td>Large commercial</td></tr> </table>	Mobile Home	Single Family Residential	Multi family	Small commercial	Medium commercial	Large commercial	<p>County assessor records provide this information</p>	<p>Weights increase with the size and complexity of structure use. It's not always a straight line—some small commercial establishments may have an FBC very much like a single family residence. The weighting reflects the additional resources that are needed to put out a fire at these different types of structures</p>	<p>County assessor records provide this information</p>	<p>Determine the bill for each structure.</p>
Mobile Home										
Single Family Residential										
Multi family										
Small commercial										
Medium commercial										
Large commercial										

- Bills for an FBC are sent once a year by the County Assessor as part of the property tax statement (although the FBC is a fee, not a tax).
- An agency with an FBC must have an annual appeals process, similar to a property tax appeal process, but run locally by the agency imposing the fee, rather than the county assessor.

What's the end result of using an FBC?

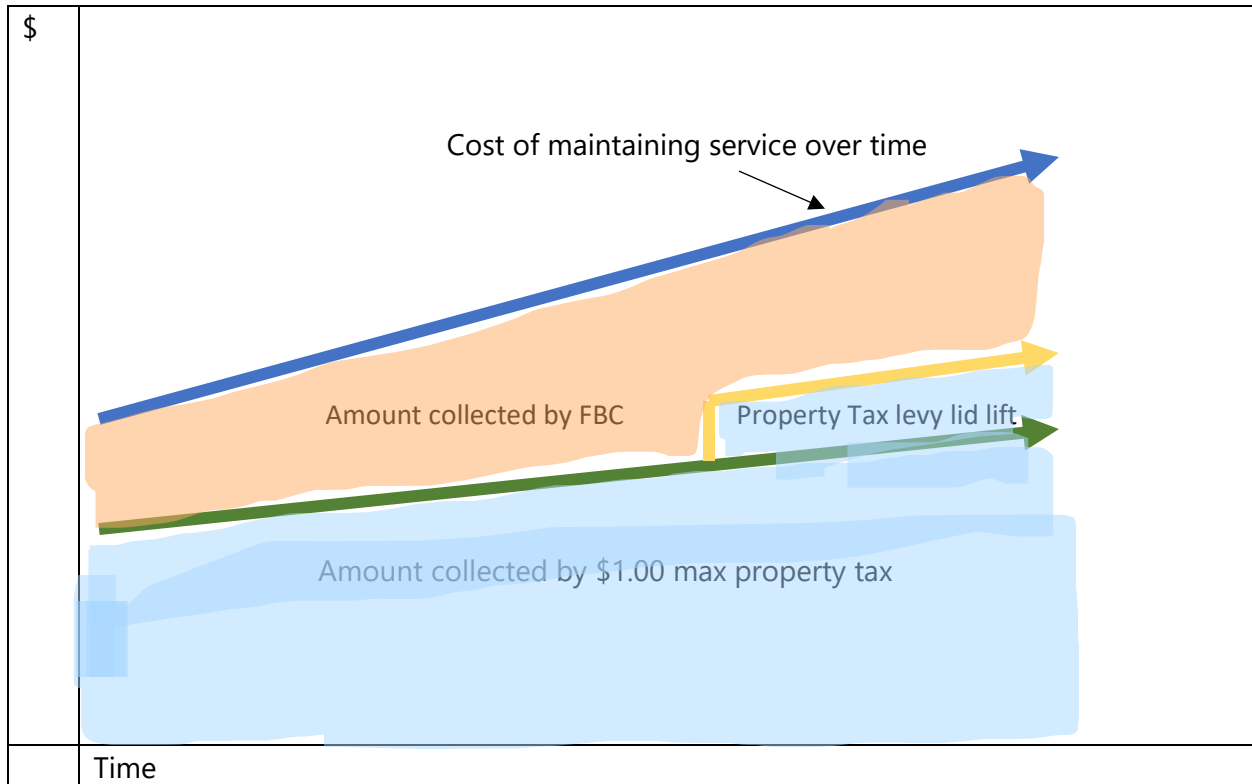
1. Agencies that would otherwise be wholly dependent on property taxes and periodic lid lifts can stabilize their revenues to meet costs as economic conditions and demand changes year to year, without going back to voters. Stability of revenues stabilizes service levels.
2. Total revenue collections can exceed the amount that would otherwise be collected by maximum property tax rates for a fire agency that doesn't have an FBC.
3. With an FBC, cities who are within a fire district or RFA can retain more property tax capacity for their own use (since the fire agency's property tax capacity is reduced in exchange for being able to impose an FBC).
4. Overall, the agency collects more revenue from larger, more complex structures than it does from single family homes. In other words, the FBC shifts costs to multi-family and larger commercial properties, and away from small single family residential homes.

Most FBC formulas and structure classifications used in Puget Sound are fairly similar.

What communities/fire service providers in our area have a fire benefit charge?

- Puget Sound Regional Fire Authority (Covington, Kent, Maple Valley & SeaTac)
- Renton Regional Fire Authority
- Valley Regional Fire Authority (Algona, Auburn, Pacific)
- King County Fire District 36 (Woodinville)
- North Highline Fire District (south of Seattle city limits)
- Northshore Fire Department (Kenmore and Lake Forest Park)
- Snoqualmie Pass Fire & Rescue
- Shoreline Fire Department
- Central Pierce Fire & Rescue
- King County Fire District 10 (Carnation, May Valley, Tiger Mountain, Preston)
- South County Fire (Lynnwood)

Fire District/RFA finances with an RFA – simple Illustration:



Note that even with an FBC, an agency will want to periodically seek a property tax lid lift to restore purchasing power of its fire levy, and keep FBC collections within a preferred range (and under the 60% operating budget max.)

Attachment 6

Contract Considerations

- Term
- Termination
- Annexation Timeframe
- Costs
- Services/Level of Service
- Public Records
- Governance
- Offramps
- Personnel
- Equipment/Apparatus
- Fire Stations/Land
- Facilities Maintenance (inside/outside)
- Any other issues from the City Council