

Tukwila Future Fire/EMS Service Community Advisory Committee

Meeting 10

Tuesday, May 3, 2022 | 4:00 PM – 6:00 PM

The meeting will be conducted on Zoom. Join Zoom Meeting:
<https://us02web.zoom.us/j/7558840726?pwd=d3NDRjhIQ0hYckpUUGNzRndpK2hqUT09> Phone in
information: (253) 215-8782 | Meeting ID: 755 884 0726 | Passcode: 482717

Agenda

1. Welcome (2 min.) *Chair Verna Seal*
 2. Review of Agenda (1 min.) *Karen Reed, facilitator*
 3. Review and approval of April 19 meeting summary (3 min.) *Karen*
 4. Response to questions asked at previous meeting (5 min.) *Staff Team*
 - *Fire impact fees—how impacted by annexation*
 5. Additional Adjustments to Attachment A. (10 min.) *Karen, Jake Berry*
 6. Committee Discussion – if direct annexation is not possible, what other/alternate recommendations does the Committee want to make? (35 min.)
 - Supporting materials:
 - Summary of existing PSRFA contracts, Q&A
 - Survey results (one page version)
- Break--
7. Review of Draft Committee Report & Direction to Finalize (35 min.) *Karen*
 8. Does the Group need an additional meeting? If so, when? (5 min.) *Verna*
 - *Tuesday May 10, 4-6?*
 9. Next steps/anticipated timing of reporting to Council (5 min.) *City Administrator David Cline, Karen*
 10. IAFF Union Comment (3 min.) *IAFF President James Booth*
 11. If this is the last meeting-- Roundtable Comments from Committee (10 min.)
 12. Adjourn (1 min.) *Verna*



Future of Fire/EMS Services Community Advisory Committee

April 19, 2022

Virtual Meeting due to COVID-19 Emergency

4:00 p.m.

DRAFT MINUTES

Present

Committee members: Verna Seal, Chair; Katrina Dohn, Peggy McCarthy, Dennis Robertson, Sally Blake, Ramona Grove, Andy Reiswig, Jim Davis, Ben Oliver (Absent: Hien Kieu, Jovita McConnell, Abdullahi Shakul)

City staff & consultants: Allan Ekberg, David Cline, Laurel Humphrey, Norm Golden, Jay Wittwer, Vicky Carlsen, James Booth, Jake Berry, Karen Reed

1. Welcome

Chair Seal called the meeting to order.

2. Review of Agenda

Ms. Reed reviewed the agenda.

3. Review and approval of April 5, 2022, Committee meeting minutes

Mr. Robertson moved approval of the minutes and Ms. Seal seconded. The motion carried and the minutes were approved.

4. Responses to questions asked at previous meeting.

Ms. Reed reviewed the updated list of responses.

- **Q:** What recourse would we have if an RFA chose to close Station 52? **A:** 52 is located in a good spot for the region and not a likely candidate for closure. Language could be put in the agreement to ensure this. PSRFA has recently evaluated station coverage in Tukwila and has not indicated a desire to reduce a station.
- I don't agree with all of Administration's response to my question about 2012-2021 budget data and the Fire Department's perceived negative impact to other departments. This message has been used repeatedly and the data doesn't support it.
- Cities can't run in a deficit. We need to provide another source of money to pay for fire service.
- Blaming of the Fire Department for the city's budgetary issues is not productive and should stop.
- **Q:** Did Fire Administration meet with PSRFA to discuss bypassing a contract? **A:** City Administration submitted a letter inquiring about this possibility.
- Provide the potential annexation timeline again.

5. Review of Draft Annotated Outline of Committee Report

Ms. Reed reviewed a draft report outline.

- **Q:** Do concise or detailed reports work better for Councilmembers? **A:** It depends on the Councilmember. One approach is to provide an executive summary backed up by detail.

6. Review & Discussion of Survey Results

Ms. Reed reviewed the Options Rating Survey results and asked committee members 1) Did you find completing the survey to be challenging? and 2) What reactions do you have to the results?

- I had difficulty with options 3-5 because we were told these weren't feasible. I personally thought Option 5 would be a good solution.
- It was time consuming but straightforward.
- I tried not to think about past discussions/decision. I tried to be objective based on the current information.
- I focused on major points.
- It was time consuming but offered a great review of each option.
- The survey included good summaries and was a helpful exercise.
- All fire chiefs should be knowledgeable about fire operations. Our fire chief could fill that role.
- Councilmembers don't get paid much and most have day jobs. They are expected to be experts in Public Works, Parks, Fire, Police, Planning. Moving Fire off of their plate and to a Fire Commission would help their workload.

7. Committee Discussion

Ms. Reed facilitated a discussion around the following questions:

A) Is the Fire Department financially sustainable?

- The issue is not if the Fire Department is sustainable, its if the City budget is sustainable. The budget problem is the city has continuously not raised the levy lid.

Consensus existed to include language around the city's overall budget problem, indicating that the recommendation on fire is a way to address the overall issue.

B) What is the committee's view on enhanced services? Is the consensus still that they should be added if they don't cut into other services?

- If we added enhanced services the city would have to cut elsewhere.
- **Q:** I don't see the cost component of the enhanced services. **A:** We did provide an initial estimate for each of the 3, but revised the estimate slightly downward for the CARES unit. The information is summarized in attachment A.
- All 3 are equally important, especially for the criteria of meeting the needs of a diverse community.
- **Q:** How is staff time allocated for CARES unit? **A:** Generally it is a 40 hour workweek.
- The need for CARES is a sign of the times. Public education is very important for different cultures and meeting the needs of the community. Children need to learn fire safety.
- **Q:** I don't see how CARES or public educator solves the problem of language access – how is that going to help? **A:** Larger agencies have more resources to spend on language services like interpretation.
- Community diversity does not just mean cultural diversity but also age, ability, housing status, etc.
- I support CARES because of the wear and tear on roads caused by the ladder truck can be diminished if a CARES unit can be sent instead.

- FMO staffing is crucial for the business community, including problem solving and also accommodating development.

Consensus existed that the three enhanced services are important.

C) What is the committee's view on evaluation criteria – are the top three still the most important?

Consensus existed that the criteria are still valid. In the interest of time, the group did not talk about whether to include a comment about their most important criteria and will come back to that.

D) What is the preferred option/s for ensuring future provision of high-quality fire/EMS service in the city at a sustainable cost. Karen noted that we were not yet clear on whether direct annexation would be acceptable to PRSRA, but the Mayor has sent a letter requesting this based on feedback from the Committee at its last meeting. The PSRFA board will take up the Mayor's letter at their board meeting tomorrow night.

- I support directly annexation to PSRFA because of the enhanced services. PSRFA is well established and has IT, payroll, apparatus maintenance, HR all in place. There is only one Chief so there are savings in bureaucracy. The City Council already has a full plate. PSRFA is accredited. We already participate in the training consortium. It will be great to share resources around hazmat and technical rescue, PIO. I see regionalization as an inevitability as the population grows.
- We share a border with SeaTac, and PSRFA provides services there. The Station 54 service area needs to be resolved. This could be a path to future annexation by SeaTac. The FD personnel wants to join PSRFA and we need the union's help with the process.
- I support Option 9 (direct annexation).
- I support Option 9 for the reasons already mentioned.
- I support option 9 but am concerned about the interim solution until annexation can be completed, maybe the contract is the answer.
- I'm not supportive of an interim contract because what happens if negotiation fails.
- PSRFA's fire benefit charge could go up, and where is the cost control? Nobody in the city would have a say.
- **Q** I disagree with the calculations for Options 1-5 in Attachment A – the costs are overstated. **A:** The staff team will review the calculations
- **Q:** How does annexation affect the collection of fire impact fees?
- **Q:** What will happen to staff capacity freed up by annexation? For example, fire has the most complicated payroll in the city. **A:** That is a Council conversation to be addressed via the budget process.
- Contracting does not make sense to me either as it is rife with issues. I prefer annexation, and PSRFA seems the better option.
- I support Option 9.
- I support Option 9 based on the way it is structured. The people with the most expertise make decisions.
- I support options 1, 2, or 5.

8. Union Comment

Captain Booth thanked committee members for the work.

9. Next Agenda

Ms. Reed previewed the next agenda.

10. Adjourn

The meeting was adjourned at 6:06 P.M. by unanimous consent.

Minutes by LH

Future of Fire/EMS Services Community Advisory Committee (v. 4.12.22)

	Question Received	Question	Response / Status
1	Meeting 1	<i>Provide number of calls by type (EMS vs Fire) per day, per station Note that 2 stations were recently relocated which impacts relevance of per-station call data from before the present locations were active.</i>	Calls by station district provided on 12/14.
2	"	<i>Provide data/outcomes from other cities that joined a regional effort</i>	Pending (will be presented later)
3	Meeting 2	<i>Provide information on how much of their general fund budget/property tax the cities of Renton and SeaTac were expending on Fire before they formed an RFA (Renton) or contracted with an RFA (SeaTac)</i>	Provided in meeting 6 packet.
4		<i>Would additional fire investigation and permitting/fire inspector staff pay for themselves through fees? Generally, what can we expect in terms of Fire Marshal office generated revenue?</i>	Provided in Meeting 3 packet
5		<i>How many inspections does one inspector complete in a year on average?</i>	Provided in Meeting 3 packet
6		<i>Does the Fire Department and/or City have a preference/priority in terms of these enhanced services?</i>	Provided in Meeting 3 packet
7		<i>Where would the money come from to fund enhanced services?</i>	This will be discussed in Meeting 4 (Feb 4)
8		<i>What is the staffing model for a CARES unit?</i>	Provided in Meeting 3 packet
9	After meeting 2	<i>A summary of projected future City revenue streams (particularly sales tax) for the next ten years or so.</i>	We can provide a 6-year forecast. (Vicky Carlsen)
10	"	<i>Definition of fiscal sustainability?</i>	This is a discussion item for the Committee
11	"	<i>Can you provide comparables for total salary, total compensation cost (TCC), retirement benefits and medial plan benefits in other fire service providers in South King County</i>	We will provide this data for Renton RFA and Puget Sound RFA when we explore those service alternatives.
12	Meeting 3	<i>Can you provide information on what the City has done with respect to the efficiency and cost reduction recommendations in the CPSM report?</i> <ul style="list-style-type: none"> <i>Additional info on this requested at Mtg. 4</i> 	Provided in Meeting 5 Packet

13	“	<i>Can we charge other fire agencies for responding to calls in their territory? Could this offset our costs?</i>	Provided in Meeting 4 Packet
14	Meeting 4	<i>Could we contract out inspection services and would that cost less than doing it ourselves?</i>	Provided in Meeting 5 packet
15	Meeting 5	<i>Please provide comparative data on numbers of firefighters per capita and square mileage per station for Puget Sound Regional Fire Authority, Renton Regional Fire Authority, and Tukwila</i>	Provided in Meeting 6 packet
16		<i>In creating a Tukwila Fire District, how soon is the property tax revenue available after the levy?</i>	A new taxing district needs to notify the assessor of intent to impose taxes by August 1 for the taxes to start the following calendar year.
17	After meeting 5	<p>Inspectors:</p> <p>a. Which personnel typically conduct the routine inspections, the FMO inspectors or the on-duty firefighters? Would routine inspections be conducted for apartment complexes as well as commercial buildings?</p> <p>Page 18 of 12.14.2021 agenda packet, "With additional staff, from 1.0 to 3.0 FTE's, Tukwila could provide regular inspections, every one to three years, for the estimated 2,500 businesses within Tukwila. Annual inspections could be provided for the estimated 400-600 commercial occupancies that have higher hazards. Additional staff, from 1.0 to the full 3.0 FTE would increase the number of inspections that could be completed each year."</p> <p>b. How was the number of additional inspectors determined? The Enhanced Services scenario has been reduced to 2 FTE's from 3. The overtime budget, according to the published 2021-2022 budget, is \$60,000 per year. If the cost of one inspector, 1 FTE is \$150,000, then the overtime cost of \$60,000, would suggest only 1/2 of an FTE is needed not 2 FTE's... so how was the need determined? Also, contracting for these services could match demand with capacity and keep costs lower.</p> <p>c. How much additional revenue could be earned if the inspection and planning fees were increased?</p>	Provided in Meeting 6 packet

		It appears the average cost for both is \$100... \$100 per inspection and \$100 per plan review. This was calculated as follows. Financial Planning Model, page 15, shows inspection fee revenue at \$80,000 and plan review revenue at \$100,000. On page 5 of the 1.4.22 agenda packet, the number of annual inspections and plan reviews is listed as 800 and 1000 respectively.	
18	“	<u>Cares Unit.</u> The \$250,000 of overhead seems very high compared to the \$58,000 projected cost for .33 FTE. What kind of costs make up this \$250,000?	Provided in Meeting 6 packet
19	“	<u>Public Educator.</u> Could public education be accomplished by existing City resources? Some possibilities - messaging could be placed on the City's website or in the Hazelnut, in-person training could be conducted by the Emergency Manager or Fire Chief/Deputy Chief, middle school and high school students could visit FS 54 on a field trip as it's within walking distance of Showalter and Foster, the City's communication division and the Community Connectors (if still being used) could meet with their residential groups to share information.	Provided in Meeting 6 packet
20	“	Is it feasible and does the Administration plan to pursue enacting a utility tax on all water and sewer utilities in Tukwila City instead of just those operated by the City? How much additional revenue could be generated by this?	No, the City does not currently have a plan to pursue a utility tax on all water and sewer utilities in Tukwila not operated by the city. The city did look at this a few years back during budget deliberations and the council at that time chose not to pursue it.
21	“	Provide and update on what the Council is considering in regards to Fire Marshal Office services?	Provided in Meeting 6 packet
22	Meeting 6	Provide dollars associated with the data in response to question 3.	Provided in Meeting 7 packet
23	Meeting 7	Clarify how capital needs for the Fire Department are met now	Provided in Meeting 8 packet

24	“	How much are SeaTac and Renton paying now for fire service?	SeaTac information provided previously; Renton information provided in Meeting 8 packet
25	Meeting 8	If the City annexes to PSRFA, will the RFA close station 52 and if so, how will that impact response times?	Provided in Meeting 8 packet
26	Meeting 9	How does annexation affect the collection of fire impact fees?	See below.
27		Does Attachment A double count the cost of the FMO contract for options 3-5?	Yes, this is an error. <i>See meeting packet for corrections.</i> In sum, even after correcting the double counting, the cost of these options is likely higher than presented in Meeting 8 due to the size/cost of the administrative structure.

Question 26? How does annexation affect the collection of fire impact fees?

A: The City would continue to collect Fire Impact Fees under all scenarios, including annexation, since these fees are used for stations and apparatus. Per RCW 82.020.050 (4) and RCW 82.02.090 (7) Fire impact fees must be used for "fire protection facilities" which includes stations and fire apparatus. If ownership and responsibility for these stations and apparatus changed under any scenario, then these impact fees may also change as well.

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
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.

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>	

OPTION 7: CONTRACTING WITH PSRFA: Questions from Dennis Robertson

Why does the Option 7 (PSRFA contract) only call for for 52 FF's when Opt 1 (status 1 quo) has 65?- Why the difference?

All 65 employees, except the Fire Chief and possibly the Deputy Fire Chief, are transferred to the PSRFA but the city, under the contract, only pays directly for 52 which is the count needed to staff the 4 stations. The others fill vacancies elsewhere. If they go to an overhead position, we'll pay a piece of them in the overhead. Certain positions in the larger organization do not need to be duplicated. For example, only one fire chief is needed.

Will there be more overtime required from the lower PSRFA proposed FF headcount?

No. They have a larger staff pool to draw from so there should be less OT.

Will 52 at PSRFA be able to provide the same level of service as 65 in Tukwila?

Yes, this is the current ops staffing for the 4 stations.

If I divide the two Estimated Fire Dept costs by the number of FF's I end up with \$251.5K per FF for Tukwila and \$327.5K per FF at the PSRFA. Why the large cost difference?

Again, the 52 is operations staffing. The City also will have to pay overhead, in addition to costs for the 52 personnel. In Tukwila, the fire department budget does not reflect any central overhead; those costs are accounted for in other departments; primarily finance, human resources, and technology.

What happens to the 13 FF's left over?

They are employed by the PSRFA at their current classification, again with the exception of the Tukwila Fire Chief and possibly Deputy Chief.

What happens to the plans for remodeling/replacing FS #54? Will the PSRFA pay for the new station? Will Tukwila citizens be expected to come up another bond issue?

This will be a subject of future negotiation. PSRFA is unlikely to pay for the whole thing if Tukwila is still in a contract, but Tukwila would just pay a share of the station. The City would most likely have to issue bonds to fund this.

If the PSRFA contract with Tukwila mirrors the contract they have with SeaTac (and if I read it correctly) then:

-The RFA uses a 'true up' clause for Labor costs for staffing the fire stations. Meaning any over, or under runs against the contracted budget for the year will be paid/repaid in the following year. This does not provide much incentive for the PSRFA to live by the agreed budget for the year.

Yes this is a downside we have identified previously for the Committee with the PSRFA contract.

-In addition, the amount of the contracted budget amounts initially agreed upon for Operation Costs and Administrative Costs are automatically increased by the full local CPI-W. Whether or not the actual costs go up or down by that amount.

Yes, this is the policy choice they made. The City's bill in any year may be more or less expensive than their actual costs. But the true-up will capture the difference in the following year.

-Total Capital Costs for apparatus, etc. (automatically adjusted by annual CPI-W increases) plus a reserve fund will be paid by the City. The reserve fund will be returned upon

Apparatus remains with PSRFA, unless the City negotiates the ability to get them back.

-Disposition of FF's transferred to PSRFA upon termination is interesting. If the termination happens before 2029 and if the City reestablishes its own Fire Department and if the PSRFA determines that FF's must be laid off and if the City has sufficient resources (who determines what sufficient resources means?) the City must rehire any FF's laid off by the PSRFA up to the number originally transferred.

How I read the above is that the PSRFA doesn't have to layoff or give FF's back at contract termination but the City has to rehire if the PSRFA wants to lay any off at contract termination.

You are reading that right. And we don't know how many FF they will want to offload, which is why it makes it difficult to reconstitute the department if the City wants to get out of the contract. Presumably, PSRFA will want to offload a significant number of staff since they will have 4 fire stations worth of staff to find other jobs for. But those FTEs laid off do not have to come back to Tukwila if they don't want—they can go try to find jobs elsewhere.

The biggest issue is that Tukwila can't afford to continue with its current Revenue to Expense ratio. That's why the special Fire Commission was put together (and spent so much time looking at dollar issues). If the Opt 7 (contract with PSRFA) is adapted and if it has a predicted cost of \$17,030,024 versus Opt 1 (as is) with a predicted cost of \$16,349,292 how does this help the Revenue vs Cost problem? Option 7 will cost \$680,732/year more.

This is one of the challenges with contracting first. The City may be able to reduce the bid cost in negotiations with PSRFA, but that is TBD.

It appears that if Annexation is not successful (at least not in the near future) that Opt 7 leaves the City in a worst position. Both financially, because costs go up by \$681K/year and strategically because the contract (if similar to Seatac's) potentially makes getting out of the contract difficult.

It's a matter of how concerned you are about the risk of the contract relationship not working out, or the PSRFA having full cost control (the only response for the City if the costs rise a lot is to consider cutting services from the contract, like the enhanced services). However, to the extent the group is interested in annexation, it appears that a contract is the only bridge to get there.

City of Tukwila Future of Fire/EMS Community Advisory Committee

Survey Results Summary

Total Responses: 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.

REPORT of the FUTURE of FIRE/EMS COMMUNITY ADVISORY COMMITTEE

May 2022

DRAFT DATED 4.29.22

Executive Summary

Over the last 15 years, the Puget Sound region has seen increasing regionalization of fire and emergency medical services (EMS) in response to cost pressures on cities and smaller fire districts. This move to regionalization has been particularly significant in south King County. The primary motivations for regionalization of fire /EMS services have been a desire to capture potential economies of scale, unify administration and programs, reduce the pace of cost escalation, secure voter-approved dedicated funding such as fire benefit charges and levy lid lifts, and improve the ability to offer additional services through cost-sharing. These same motivations have led the City of Tukwila (City) to explore regionalization of fire/EMS services since at least 2010.

The City faces a significantly worsening financial picture in the next biennium, with City administration officials anticipating a gap of as much as 10-15% between General Fund revenues and expenses by 2024. One of the major opportunities to address this funding gap is to implement changes in funding for, and potentially jurisdiction over, the City's second largest department—the Fire Department.

The Mayor and City Council appointed the Future of Fire/EMS Community Advisory Committee in October 2021. The Committee was tasked with recommending how fire/EMS services should be provided in Tukwila in the future. Over the course of ten meetings in a seven-month period, we explored the current situation and nine options for future fire/EMS service delivery. The main advantages and disadvantages of each of these nine options is outlined in the summary table below. Our preferred option—seeking to directly annex into Puget Sound Regional Fire Authority (PSRFA)-- is an iteration of one of these options, but direct annexation is not possible under the PSRFA board's current policy direction, which is to require a service contract with PSRFA prior to taking up the possibility of annexation.

Fire/EMS service is a critical public safety service. There are many important considerations for the Council here, and the interests of all parts of the city—administration, employees, residents and business community ---are not neatly aligned to favor any single option available to us.

Given that reality, our recommendation to the City is to [\[TBD at Meeting 10\]](#)

Benefits and Disadvantages of the Nine Options Reviewed, Summarized

Option	Advantages	Disadvantages
Option 1: Status Quo	<ul style="list-style-type: none"> Requires no changes to current operations, assuming revenues are made available 	<ul style="list-style-type: none"> Misses opportunity to benefit from further regionalization City financial challenges un-addressed, unless City secures additional revenue
Option 2: Status Quo "Plus" – Funding for enhanced services	<ul style="list-style-type: none"> Important service enhancements secured: CARES unit, public education program, and additional Fire Marshal Office staffing 	<ul style="list-style-type: none"> Misses opportunities to benefit from further regionalization Funding remains unaddressed, unless City secures additional revenue

Option	Advantages	Disadvantages
Option 3: Create a Tukwila Fire District, funded solely by property taxes (no Fire Benefit Charge)	<ul style="list-style-type: none"> • Fire department costs largely removed from City budget (some retained costs remain) • City can retain control over the services and budgets if Council chooses to serve as the governing board. 	<ul style="list-style-type: none"> • Misses opportunities to benefit from further regionalization • Financially unstable as it would require voter support for repeat excess levies • Adds expense of creating a new agency.
Option 4: Create a Tukwila Fire District, funded by both property taxes and a Fire Benefit Charge (FBC)	<ul style="list-style-type: none"> • Fire department costs largely removed from City budget • City can retain control • FBC adds significant financial stability/sustainability 	<ul style="list-style-type: none"> • Misses opportunities to benefit from further regionalization • Adds expense of creating a new agency
Option 5: Partner with another fire service provider to create a Tukwila Regional Fire Authority (RFA) –with a fire benefit charge	<ul style="list-style-type: none"> • Fire department costs largely removed from the City budget. • City has significant control over operation, depending on how governance board structured 	<ul style="list-style-type: none"> • Regionalization benefits depend on size of the partnering agency • Adds expense of creating a new agency
Option 6: Contract for Service with Renton Regional Fire Authority (RRFA)	<ul style="list-style-type: none"> • Cost is comparable to status quo but includes enhanced services. • City no longer has management responsibility for Fire Department • Firefighters become RRFA employees, their preferred outcome 	<ul style="list-style-type: none"> • City remains responsible to fund funding; funding not addressed • City loses control over costs • City cannot reconstitute fire department if contract doesn't work out • Negotiation of agreements to combine labor force needed; outcome unclear
Option 7: Contract for Service with Puget Sound Regional Fire Authority (PSRFA)	<ul style="list-style-type: none"> • Cost is comparable to status quo (and RRFA contract) but includes enhanced services • City no longer has management responsibility for Fire Department. • Firefighters become PSRFA employees, their preferred outcome 	<ul style="list-style-type: none"> • City remains responsible to fund funding; funding not addressed • City loses control over costs • City cannot reconstitute fire department if contract doesn't work out
Option 8: Annex into RRFA, after initially contracting for service	<ul style="list-style-type: none"> • Fire department costs largely removed from City budget upon annexation • Preliminary costs comparable to other options • Firefighters prefer to remaining with City 	<ul style="list-style-type: none"> • Must contract first, with associated downsides • Little leverage in annexation negotiation • Voter support for annexation unknown
Option 9: Annex into PSRFA, after initially contracting for service	<ul style="list-style-type: none"> • Fire department costs removed from City budget • Preliminary costs comparable to other options • Firefighters prefer going to PSRFA 	<ul style="list-style-type: none"> • Must contract first, with associated downsides • Little leverage in annexation negotiation • Voter support for annexation unknown

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REPORT of the FUTURE of FIRE/EMS COMMUNITY ADVISORY COMMITTEE

May 2022

DRAFT DATED 4.22.22

I. Introduction

Over the last 15 years, the Puget Sound region has seen increasing regionalization of fire and emergency medical service (EMS) in response to cost pressures on cities and smaller fire districts. This move to regionalization has been particularly significant in south King County. The primary motivations for regionalization of fire /EMS services have been a desire to capture potential economies of scale, unify administration and programs, reduce the pace of cost escalation, and improve the ability to offer additional services through cost-sharing. The City of Tukwila has been exploring fire/EMS regionalization since at least 2010 but no agreement has been reached on a move away from the current City Fire Department operations. A 2015 effort to annex to the Puget Sound Regional Fire Authority ended when the City Council determined not to place the measure before the voters. The City instead focused on the significant capital investment needed for new fire stations, equipment and apparatus, and put this before the voters in 2016 as part of the Public Safety Plan. In November 2016, the City's voters supported this funding with 60% approval and since then, two new fire stations have been built and opened, and, through other City funding contributions, new fire apparatus and equipment purchased.

The City of Tukwila now faces a significantly worsening financial picture in the next biennium, with the City administration anticipating a gap of as much as 10-15% between General Fund revenues and expenses by 2024. One of the major opportunities at to address this funding gap is to implement changes in funding for, and potentially jurisdiction over, the City's second largest department—the Fire Department.

The City Council appointed the Future of Fire/EMS Community Advisory Committee in October 2021 and tasked it with recommending how fire/EMS services should be provided in Tukwila in the future. Fire/EMS service is a critical public safety service, one that each of us on the Committee relies upon. We took our mission very seriously. The Committee considered nine different options for fire/EMS service delivery. These options were developed by the staff and consultant team supporting our work. There are many important considerations, and the interests of all parts of the city—administration, employees, residents and business community ---are not neatly aligned to favor any single option available to us. This report presents the findings and recommendations of the Committee.

II. The Committee's Mission, Membership, Timeline, and Process

The Committee's mission was to provide findings and recommendations on five issues:

- Is the Fire Department sustainable within existing City revenues?
- Are there any additional Fire Department programs, staffing or services that should be priorities to fund in the next six years?
- What criteria should be used to evaluate the City's options for future fire/EMS service delivery?

- What recommendations does the Committee have as to the preferred option or options for ensuring provision of high-quality fire/EMS service in the City at a sustainable cost?
- What public engagement strategies should the City consider as a part of its deliberations following delivery of this report?

Our report addresses each of these five issues in turn below. First, we provide a summary of the Committee and our process.

The Committee is comprised of twelve (12) Council-appointed members, including City residents, business leaders and nonprofit agency representatives representing the diversity of the Tukwila community: **Attachment A** to this report presents the names of the members. Members were identified through a process publicly soliciting interest from the community. The City Council appointed former Councilmember Verna Seal to serve as our Chair; the Committee selected Hien Kieu as our Vice-Chair. We were asked to report back by the end of April, but the work involved required additional time. We met **ten** times in the development of this report, for two-hours each meeting. The tenth meeting was added to our original nine-meeting schedule in order that we could complete our work. Our first meeting was November 9, 2021, and our last meeting was held May 3, 2022. Due to the pandemic, all our meetings were held remotely by Zoom. All our meetings were open to the public and all our agendas, meeting notes, and meeting materials were posted on the City's website.

We were supported by a team of City staff from the Fire Department and City administration, an independent facilitator and financial consultant. The staff and consultant team members are identified on **Attachment B**.

We note that while two of our members are former City Councilmembers, one is a retired City firefighter, and one is a former finance director for the City, Committee members otherwise did not come to this project with a deep knowledge of either City finances or fire/EMS service. This was a very intensive effort in terms of learning about fire operations and funding options—for every Committee member. The information provided in this report is based on the information presented to us by City staff and the consultant team, and our own varied experience and observations.

The major topics of discussion at our meetings are listed below, in the order in which we considered them:

- Review of operations, revenues and expenses of the Fire Department
- Review of City General Fund revenues and expenses
- Discussion of our observations about current levels of fire/EMS service in the City
- Review and discussion of a seven-year financial model for the Fire Department, prepared for us by a financial consultant, showing how costs of the Fire Department would grow over the next 7 years with the current staffing configuration
- Review of service enhancements that are a priority for the Fire Department to add in the next few years
- Discussion of financial sustainability for the Fire Department
- Identification of eight criteria for evaluating future Fire/EMS service options
- Review of information on nine different future Fire/EMS service options (list presented at **Figure 1**)
- Review and input on a status update to the City Council (presented mid-way through our work)

- Completion of a homework exercise on public engagement strategies
- Completion of a survey evaluating all nine options across all eight criteria we identified
- Discussion of survey results and development of a recommended future option.
- Additional consideration of recommendations when it became clear after our ninth meeting that our consensus preferred option – moving directly to seek annexation to Puget Sound Regional Fire Authority—is not acceptable to PSRFA at this time.

Per our Committee Charter, each Committee member had one vote. A Committee *recommendation* requires support of at least 60% of us present and voting, and a *consensus* recommendation requires support of at least 80% of us present and voting. Our Charter also allows for summary dissenting statements where Committee members are in strong disagreement with their fellow Committee members. This report has been approved by XX of us as presenting an accurate documentation of our deliberations, findings and recommendations.

III. Tukwila’s Current Fire/EMS Services—An Overview

The Committee is unanimous in its assessment that the City currently enjoys high-quality fire/EMS service. Tukwila is a challenging City to serve, in that its daytime population – with employees and visitors to Westfield Mall and surrounding commercial enterprises – exceeds 150,000, but there are only 21,798 residents in the City. The Fire Department is well positioned to serve this varied population through four fire stations located in the City, two of them essentially brand new as a result of funding provided by the City’s 2016 voter-approved public safety bond measure. The concentration of four fire stations in an area less than 10 square miles exceeds what is typical of most urban areas and is the result of annexations of territory into the City over the past few decades.

The Fire Department has 65 staff, with at least three firefighters on duty at each fire station, 24-7-365. This staffing level enables one apparatus (fire truck, ladder truck) to respond out of each of the four stations. The Fire Department’s apparatus and equipment are relatively new and in good condition.

Because of the City’s concentration of fire stations, Tukwila has the fastest “first unit on scene” response time in Zone 3. Zone 3 is the south King County area in which all 911 calls are jointly dispatched through Valley Communications Center (“ValleyCom”). That said, nearly all fire incidents, and many EMS calls, require more than one fire engine and its crew. This is where the City – like all others in Zone 3—is reliant on its neighbors to support incident response. ValleyCom dispatches the nearest available units to any incident. Those units may be from Tukwila—but they may also be from North Highline Fire District, Renton Regional Fire Authority, Puget Sound Regional Fire Authority, or other agencies further away. A major fire may require more units than the entire City Fire Department staffs on any given day.

There are no City reserves established solely for support of the Fire Department. The Fire Department does not have a dedicated funding stream for either ongoing capital or operational reserves. The Fire Department does generate a modest amount of revenue from operation of the Fire Marshal Office, and the City receives a share of King County regional EMS levy money to support its basic life support operations. All other funding for the Department come from General Fund revenues, including an allocation of resources each biennium through Council funding of the City’s Public Safety Plan to support apparatus and equipment replacement.

The Fire Department's budget over the last ten years has grown at a rate of 3.2% per year on average, excluding fire station construction costs. Fire Department staffing over this time has been stable. The Department's budget does not include a share of central overhead services (human resources, finance, information technology) that support all City departments. **Table 1** below summarizes some key facts about the Fire Department

Table 1: Tukwila Fire Department Facts		
2022 Fire Department Annual Budget (as amended)	\$14.22 Million	
Fire Dept. as % of General Fund	23%	
Fire Department Major Funding Sources	General Fund (93%), fees from Fire Marshal Office services (.5%), share of regional EMS levy (3.5%), and other (3%)	
Growth in Fire Department Budget, annualized, in last 10 years versus growth in City General Fund Budget over same period	2012-2022 Fire Dept budget increase, annual average: 3.2%	2012-2022 General Fund budget increase, annual avg.: 3%
Major budget expenditures <i>Note: reserves/overhead is a share of the Public Safety Plan funding allocated this year to the Fire Department</i>	Salaries	66%
	Benefits	22%
	Administrative overhead:	.04%
	Reserves/Overhead	.07%
	Other O&M	11%
Number of employees <i>*logistics, equipment management</i>	Administrative staffing:	3
	Support Services*:	3
	Fire Marshal's Office	5
	Operations (fire suppression/EMS)	54
	Total	65
Labor Affiliation <i>Note: All employees except the Fire Chief, Deputy Fire Chief, and assistant to the fire Chief are unionized</i>	IAFF- Local 2088 – all uniformed staff Teamsters Union – project manager, administrative assistant	
Fire Stations	Four; 2 stations are new, Stations 51 and 52 (Headquarters) 2 stations are older, Stations 53 and 54	
Annual calls for service (2021) <i>Note: COVID caused a drop in call volume over 2019 and 2020. In 2021 the calls for service increased and are close to 2018 call volumes. to levels above those two years and close to the call volume of 2018.</i>	Total: 6,869 EMS calls: 4,592 Fire calls: 1,974 (including automatic fire alarms) Other: 303	
# of fire apparatus fully staffed from each fire station	One. We also have the Battalion Chief command vehicle, in addition to the fire engine, in service from fire station 52.	
Patient Transport	Private ambulance transports are the primary means of transporting patients.	
Regionalized Fire-Related Services in which Tukwila participates (and helps fund)	911 dispatch – Valley Communications Medic 1 (Advanced Life Support) -- King County Training Consortium (managed by Puget Sound RFA) WA Fire Careers Project (managed by Puget Sound RFA)	

Response Time (2020) Turnout + Travel Time	Target (First unit on scene 90% of the time within target) Fire: 7 min.59 sec. or less EMS: 7 min. 52 sec. or less	Actual % of responses meeting target: Fire: 86.2% EMS: 86.3%
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Findings from A Seven-Year Financial Forecast for the Fire Department Operations

To provide us more detail on future anticipated fire Department expenses, the City secured the assistance of public finance consultant Bill Cushman. Mr. Cushman developed a seven-year financial strategic financial plan to identify the costs of maintaining current staffing levels and four fire stations over the next seven- year period. This financial forecast was completed in December 2021. Some key inputs into the forecast are:

- Including funding for a series of operational reserves at levels that will support anticipated expenditures over the period other than station replacement. These reserves exceed the current set asides budgeted by the City
- Excludes the cost of two additional fire station replacements
- Assumes a 5% annual growth in assessed value of real property in the City
- Projects Fire Department costs growing at 3.2% on average (including the 6.3% salary Cost of Living Adjustments (COLA) received by firefighters in 2022, and assuming a 3.2% CPI beyond 2022)
- No City General Property Tax lid lift in the interim.

Major findings in the forecast include:

- In 2021, the Fire Department budget equated to **79.6%** of all City property tax revenues.
- In 2022, the Fire Department budget grew to the equivalent of **82.4%** of City property tax revenue.
- The 2022 Fire Department budget, as amended, equals a property tax rate in Tukwila of **\$1.80 per \$1,000 of assessed value.**
- By 2028, the Fire Department Budget is projected to equate to **93.6%** of all City property tax revenues.

Inflation thus far in 2022 is already higher than projected in the financial forecast, so if the forecast were updated today, the projected spending would be higher. Staff Cost of Living Allowances (COLA) are based on June CPI data.

It is important to anticipate future Fire Department costs in considering the City's options. A few key points are outlined below.

- If the City retains the Fire Department, it will almost certainly need to secure voter-approved funding to rebuild Stations 53 and 54, within the decade. Current rough estimates of the cost to replace these two stations is \$30-40M. It is possible that joint funding for a Station 54 replacement could be secured at much lower cost through collaboration with neighboring agencies.

- The City will also need to maintain the quality of its fire apparatus and equipment. The 2016 public safety bond was also intended to allocate specific funding for these needs for the next twenty years. Due to cost escalations, bond funding was not used for these purposes, but instead is funded through the City’s Public Safety Plan for the next fifteen years (after that, the General Fund will absorb these costs).
- The seven-year financial forecast estimates annual reserve funding needs of \$1.09M per year if the City were to continue to support apparatus, equipment needs *plus* facility maintenance (not replacement), and employee retirement payouts on a pay-as-you-go basis.
- The City will need to remain competitive in hiring and retaining firefighters and fire administrators. We note that the Puget Sound Regional Fire Authority (PSRFA) salaries are significantly higher than the City’s current fire salaries, but the Renton Regional Fire Authority (RRFA) salaries are lower, except for all but their longest serving employees (we expect that may change as RRFA is now in labor negotiations with its fire union).

Fortunately, the City has options for how to proceed. As noted above, we were presented with nine different options for future fire/EMS service delivery, listed in **Figure 1** below.

Figure 1: List of Nine Future Fire/EMS Service Delivery Options Considered by the Committee
Option 1: Status Quo
Option 2: Status Quo “Plus” – Funding for enhanced services
Option 3: Create a Tukwila Fire District, funded solely by property taxes (no Fire Benefit Charge)
Option 4: Create a Tukwila Fire District, funded by both property taxes and a Fire Benefit Charge
Option 5: Partner with another fire service provider to create a Tukwila Regional Fire Authority (RFA) –with a fire benefit charge
Option 6: Contract for Service with Renton Regional Fire Authority (RRFA)
Option 7: Contract for Service with Puget Sound Regional Fire Authority (PSRFA)
Option 8: Annex into RRFA, after initially contracting for service
Option 9: Annex into PSRFA, after initially contracting for service

The balance of this report examines the five questions posed to us by the City Council regarding these options.

IV. Is the City Fire Department Sustainable Within Existing City Revenues?

After considering a lot of information about City revenues and expenses, we think that this question is probably the wrong lens for discussing financial sustainability. Generally, we view “fiscal sustainability” as the ability to sustain service levels over time within available revenues. The problem with focusing on

the Fire Department alone here is that the Fire Department is just one of many City departments dependent on the City’s General Fund.

The City Finance Director has provided us information confirming that the City’s General Fund revenues grow more slowly each and every year than do the City’s General Fund expenses. Specifically, overall General Fund revenues grow at about 3% a year, and *status quo* expenses (the cost of doing the same things as the prior year) have grown annually at around 5% over the last decade. The gap between revenues and *status quo* expenses is the major challenge each budget cycle. We note that the inflation spike that began last year may significantly increase this gap in the next few years, particularly to the extent the City’s unionized employees are entitled to annual cost of living increases, (like unionized employees elsewhere in government and the private sector). Labor costs (salaries and benefits) comprise over 68% of the City’s General Fund.

The City’s General Fund supports a range of important services, from a variety of sources. General Fund revenues are typically unrestricted -- they can be applied to many uses. In contrast, many other City revenues are strictly limited in terms of the uses to which they can be applied). The major General Fund departments and revenue sources are shown in **Table 2**.

Table 2: City General Fund-Supported Departments and Major Revenues	
<i>Departments</i>	<i>Major Revenues by % (2021)</i>
Police Department Fire Department Parks & Recreation Public Works Community Development Mayor’s Office/Administrative services, which also includes: <ul style="list-style-type: none"> • Technology & Innovation Services • Human Resources • Finance Department • City Clerk’s Office 	In descending order of magnitude: Sales Tax (28.1%) Property Tax (27%) Utility Tax (9.4%) Other Taxes (admission, gambling) (7.3%) Business Licenses (5.7%) Other government agency grants, shared revenues (5.1%) A variety of other revenues contribute an additional 17.4%

Each budget cycle, the City Council must make difficult decisions about how to balance the budget (a requirement of state law—cities cannot run deficits like the federal government). Basically, the cost of *status quo* operations always exceeds in total the *status quo* revenues available. Cuts, efficiencies and new revenues must all be considered across the entire General Fund budget in order to balance the budget. In this sense, one can argue nothing in the General Fund is sustainable without efficiencies, cuts elsewhere, or new revenues.

Over the last decade, the City Council has found new revenues, with voter support, to fund public safety capital projects (the justice center, two new fire stations, and fire apparatus/equipment) and the City’s pool (creating the Tukwila Pool Metropolitan Park District). The City has been able to add a few staff over these same years to many General Fund programs. Fire Department staffing has remained

essentially flat over the last decade, but there have been significant investments in capital and equipment for the department during this time.

Our observation is that the City has a fiscal sustainability challenge broader than any single City Department: it is a challenge for the entire City General Fund. That said, we can understand why the City has created our Committee, and why the administration and Council are focusing particularly on sustainability of fire/EMS service:

First, the Fire Department is the second largest department in terms of budget. If there is a way to either increase funding for—or entirely eliminate—the cost of the Fire Department for the City budget, it will have significant impact in improving the overall health of the General Fund and all the important City services it funds.

Second, fire/EMS is a critical public safety service and is very popular. A well-reasoned request to voters for Fire Department funding support is likely to be better received than a request for general government support, or support for many other City programs.

Third, and more to the point of the mission with which we have been tasked, there are many options for the delivery of high-quality fire service to the City other than the current model of a city-funded City Department operation. In fact, in the area around Tukwila, we have seen a dramatic transformation to move away from City-funded fire service in the last 15 years.

- In 2007, the Cities of Auburn, Algona and Pacific secured voter approval and new dedicated funding to form the Valley Regional Fire Authority, uniting the fire departments of the Cities of Auburn (serving Algona by contract) and Pacific.
- In 2010, Kent and Fire District 37 secured voter approval and new dedicated funding to form what is now the Puget Sound Regional Fire Authority.
- Maple Valley Fire District secured voter approval a levy lid lift for dedicated funding and began contracting with PSRFA in mid-2018.
- In 2014, the City of SeaTac, after determining it could not financially annex into a fire authority, instead began contracting with PSRFA, transferring all its fire department staff, apparatus, and equipment to the PSRFA as part of that arrangement.
- Most recently, in 2016 Renton and Fire District 25 secured voter approval and new dedicated funding to form a regional fire authority.

The partners forming, or contracting with, these new “regional fire authorities” recognized that they were more likely to be able to control the growth in cost of service by banding together in a larger operation, with a single fire service administration and support services system overseeing their combined territories.

Notably, all three of these regional fire authorities received voter approved funding through levy lid lifts of property taxes and a fire benefit charge. All three utilize both property taxes and a voter approved financial tool not available to cities: a “Fire Benefit Charge” (FBC) supporting operations and capital expenditures which is not subject to the year-to-year 1% collection limitations of property taxes. An FBC is a fee, not a tax, charged to property owners with physical structures on their real property; the fee is sized to reflect an estimate of the fire agency assets needed to respond to a fire at those structures. (See discussion below in Section VII of this report).

There are other options available to change how fire service in the City is operated or funded besides joining or creating a regional fire authority. These are explored in more detail below, but basically include:

- (1) creating a fire district;
- (2) contracting for service from another fire service provider; or
- (3) providing additional dedicated funding for the Fire Department with voter approval.

A note about regional fire authorities: a regional fire authority or “RFA,” can be created by voters pursuant to Chapter 52.26 RCW. An RFA has essentially the same revenue authority and service responsibility as a fire district but can only be created by combining the operations of at least two different agencies that have authority to provide fire service. The main difference between a fire district and a regional fire authority is that the latter has great flexibility in how it sets up its governance board. This makes it possible for multiple, different types of fire jurisdictions to come together and structure a governance solution that works for them.

It is also worth noting what is happening in other cities in King County. Today, only 7 of 39 cities in King County operate a Fire Department. The rest have annexed into, or have service contracts with, another agency (another City, a Fire District, or a Regional Fire Authority).

A contract for service by itself doesn’t address the revenue challenge a city may have – the city still has to pay for the contract. However, a city (particularly a small city) will typically find it far less expensive to contract for fire service than to create its own fire department. Thus, we see Newcastle, Medina, Hunts Point, Yarrow Point, Clyde Hill, and Beaux Arts Village all contract with Bellevue for fire service.

Annexation into another fire service provider is most often observed in cities created in the last 30 years –long after their area was served already by a fire district. For example, Shoreline chose to not stand up a fire department when it was incorporated, and instead retained service from their existing fire district.

Those cities that do still operate a Fire Department typically have dedicated voter-approved levies to support either (or both) operations and capital for the departments. Tukwila has secured voter support for fire capital projects (through the 2016 public safety bond) but has never asked for operational support for fire. In comparison, in 2019, the City of Bothell secured voter approval for both a Fire Capital Levy and a Fire Operations Levy.

Beyond considering the Fire Department finances, we are not privy to an understanding of all the various funding demands now before the City.

In terms of additional revenue sources that the City could use to fund fire/EMS services, we did not spend a significant amount of time on this topic, but we understand that:

- Any increase in property taxes above the 1% annual collection amount allowed by law requires voter approval. The City could seek authority for a general property tax lid lift to support all General Fund operations, or it could target that request to support specific City functions, such as fire/EMS service. A levy lid lift requires approval of 50% +1 of voters.

- The City imposes a wide array of taxes now, but does not impose a business and occupations (B&O) tax. This could be authorized by the City Council without voter approval.
- There is capacity to increase utility taxes by Council action, either with or without voter approval.
- Major capital funding for any City construction projects is most likely secured by asking voters for an excess levy to repay City-issued bonds. This requires 60% voter approval.

The Committee expresses no opinion as to the advisability of pursuing a B&O tax or utility tax. We note below the possibility of a seeking a dedicated property tax levy to support any option in which the City remains responsible for funding fire/EMS services. We have noted above the likely need for a bond measure to fund two additional fire stations in the next decade if the Fire Department remains a City operation.

In sum, it appears to us that the City has a General Fund sustainability issue. The Fire Department is the second largest department in the City and there are many options for securing high quality fire/EMS services, so it makes sense to explore these options for multiple reasons. The City should anticipate significant revenue needs for the Fire Department in the years ahead.

V. Additional Fire Department Programs, Staffing or Services that should be Priorities to Fund in the Next Six Years

In the context of the General Fund budget challenge, it may seem confusing to explore expanding Fire Department service offerings, however, this is the second query in our mission. In this part of our work, the Fire Department presented to us three priority service enhancements. In descending order of priority *for the Fire Department*, these are:

- **Adding services of a CARES Unit**—by sharing a unit with an adjacent fire agency. CARES Units are vehicles staffed by a firefighter and a nurse or social worker. They respond to low acuity calls where there is no emergent medical need. It is often difficult to determine the acuity of a call before arriving on scene, so often CARES Units are deployed in a follow-up capacity that represents a true service level improvement for community members having difficulty with medications or other health issues. Agencies around the state are now deploying this service. They are finding that a CARES unit can reduce calls for service and keep other units available for priority calls. Both RRFA and PSRFA currently operate a CARES unit. Some of the cost of these units can currently be defrayed from funding from King County—funding Tukwila is entitled to but cannot draw on because it is not offering the service.
 - 2022 Estimated Annual Cost of standing up a CARES unit in partnership with another agency that also doesn't have a CARES unit: \$308,706
 - 2022 offsetting funding available from King County: \$100,800

- **Adding an employee (plus vehicle and supplies) to operate a Public Education Program.**
 - 2022 Estimated Annual Cost: \$152,222
- **Increasing staffing for the Fire Marshal Office (FMO) by up to 4 additional employees**, in addition to the existing five personnel in the FMO. Fees for service currently generate about \$302,000 each year from the FMO. Under state law, fire marshal services are core city functions: cities control the service levels and fees and cannot transfer this responsibility by annexation of fire responsibility to another agency. In other words, the annexing city must decide whether to staff the function on its own, or contract for the service from its new fire service provider.
 - 2022 Estimated Annual Cost for adding **two (2)** additional FMO employees: \$307,180.
 - 2022 Estimated additional annual revenue from adding these two employees: \$302,000, doubling current FMO revenue.

The Committee does not feel we are knowledgeable enough to offer other potential service enhancements, so we focused on the Fire Department recommendations. We questioned whether some or all these services could be provided by contracting with other agencies, or whether they could be provided by other existing City personnel. We questioned how much revenue would be generated by additional FMO staff.

In the end, ***the Committee has reached a consensus that we support the addition of all three of these enhanced services, but only if they do not require cutting other existing services—either in the Fire Department or elsewhere.***

Why do we support adding these enhancements? For several reasons:

- CARES programs directly address the increasing complexity of service demands on the department—increasing, homelessness and mental health issues most notably. A CARES unit can also reduce calls for service and keep other units available for priority calls—an important cost saving aspect to consider.
- Particularly in a diverse community such as Tukwila, education around fire safety can be life-saving for those who grew up in other cultures. It can also be an important public safety service for all residents, and for children in particular – schools are a big audience for most fire service public education programs. Both RRFA and PSRFA currently have Public Education Programs.
- The City currently has limited Fire Marshal Office (FMO) offerings. Business community representatives on the Committee note their concerns about the time it can take to get a fire-related building permit, and the lack of routine fire inspection service offered by the City. The Fire Department’s expertise in identifying safety issues and outlining solutions is not something that businesses can easily buy from a private sector vendor. Quick response from the Fire Marshal can make the difference between a business being able to stay open or needing to close --and can save months in the time it takes to permit a new business—an economic development issue. A well-staffed and operated program can offset much of its cost from fees.

The staff team supporting us adjusted some of the cost data shown above after receiving contract cost estimates from RRFA and PSRFA. Both RFAs currently offer all three service enhancements, and both offered to provide them to Tukwila for less money than the costs estimated above, as summarized in **Table 3**. (These cost estimates are preliminary, as are all cost estimates presented in our report).

Table 3: Service Enhancement Cost Estimate Comparison			
Service Enhancement	2022 Cost Estimate if Provided through Tukwila Fire Department	2022 Contract Cost Estimate Presented by PSRFA and RRFA	
		RRFA	PSRFA
CARES Unit Contract estimates were to have access to the RFA CARES units currently in place	Initial estimate: (new unit in partnership with another agency that doesn't now have a CARES unit) \$308,706, <i>less \$100,800 in regional revenue = \$207,906 net</i> Revised estimate: reduce cost by \$167K by contracting with an RFA, for a net cost of about \$0 – \$66K, depending on RFA.	\$0 Renton indicates they can fund this just for the contribution of the \$100,800	\$66K (regional revenue would go to PSRFA)
Fire Marshal Office	\$900,000 (5 FTEs today) + \$307,180 for 2 additional FTEs Less offsetting revenue of \$605,088 = \$602,092 net cost	\$610,937 (with fee revenue back to City – for a net cost of a few thousand dollars)	\$840,377 (with fee revenue coming back to the City—net cost of about \$240K)
Public Education Officer	\$122,813	Not itemized in the bid (no staff would be added by agency)	\$64,585 (no staff would be added by agency)

Note: The RRFA FMO cost estimate is significantly lower than the PSRFA cost estimate because the RRFA uses civilians to staff the office, rather than uniformed firefighters.

VI. Committee Criteria for Evaluating the City's Options for Future Fire/EMS Service Delivery

The Committee had several discussions about criteria that should be used to evaluate the nine future fire/EMS service delivery options presented to us. We developed these criteria early in our process, after reviewing the list of nine options, but before being briefed on all but the first two options (status quo and status quo plus service enhancements). We settled on the eight criteria presented in **Table 4**.

Table 4: The Committee’s Eight Criteria for Evaluating Fire/EMS Service Options (not presented in priority order)
<ul style="list-style-type: none"> • Ability of provider to meet needs of a diverse community • Ability of provider to meet needs of a larger business community • Total costs, considering both costs to residents and businesses • Impact on the fire department labor force, recruitment, and retention • Control over operational and financial decisions • Overall quality of services (response times and more) • Accountability for outcomes/ability to measure outcomes • Sustainability of funding

A note about each of these eight criteria and why we feel each is important:

- **Ability of provider to meet needs of a diverse community:** Tukwila has a very diverse population, and our fire/EMS services should be able to help residents and others regardless of language or cultural differences.
- **Ability of provider to meet needs of a larger business community:** The business community is our economic engine, providing jobs and making this City a desirable visitor destination. Business tax revenues support programs across the city. Supporting the business community’s fire/EMS needs supports the financial health of the City.
- **Total costs, considering both costs to residents and businesses:** In light of the financial challenges the City has described for us, total cost is important. If the same or better-quality services can be secured for less money, that needs to be seriously considered.
- **Impact on the fire department labor force, recruitment, and retention:** Fire Department staff have shared their strong preference to move to employment with the PSRFA, or as a second choice, the RRFA. They see increased opportunity for advancement in a larger organization, and compensation rates are also higher at the PSFRA. Employee preferences are an important consideration.
- **Control over operational and financial decisions:** Given the size of the Fire Department budget, it is important to be able to control how costs change from year-to-year to mitigate the need to raise taxes or make other service cuts to General Fund programs (including Fire).
- **Overall quality of services (response times and more):** We enjoy the fastest “first unit on scene” response times in Zone 3 today. It will be difficult to get the community to support any reduction in service levels. Program offerings— such as the enhanced services—should also be considered; the three service enhancements discussed above are all currently being provided by neighboring RFAs.
- **Accountability for outcomes/ability to measure outcomes:** This is simply an important basic good business practice for ensuring the public’s money is being put to good use.

- **Sustainability of funding:** If funding for a critical public safety service such as fire/EMS is not sustainable, we will see service levels reduced—which will face community opposition—or other City programs cut, which is also undesirable. If the City’s finances cannot sustain the Fire Department into the future, this is a serious problem. As discussed above, we see financial sustainability as a General Fund issue, one that is not about the Fire Department alone. In the exploration of future service options, we do see that fire agencies have financial tools (a Fire Benefit Charge, specifically) that cities do not have, and which can provide significant financial stability through either recessionary periods or times of high inflation.

We also discussed what each of us felt were our top three most important criteria. The results of that exercise identified strong concurrence that the following three criteria are the most important:

- Total costs to residents and businesses
- Quality of services, and
- Sustainability of funding

VII. Committee Recommendations on the Preferred Option or Options for Ensuring Provision of High-Quality Fire/EMS Service in the City at a Sustainable Cost

The committee was presented with nine different options to provide high-quality fire/EMS service to the City. We reviewed each of these options in some depth.

Comparing the Three Different Potential Service Providers

All these options propose one of three different service providers:

- The City of Tukwila Fire Department- - as it is, or reconstituted in a new unit of government (a fire district or regional fire authority)
- The Renton Regional Fire Authority
- The Puget Sound Regional Fire Authority

Table 5 below presents comparative data on these three agencies: how big they are, how they are funded, what services they provide, how they are governed today.

The nine options are summarized in **Table 6** below, which highlights the key differences and similarities between each option.

The complete detailed templates for all nine options are provided in **Attachment C**. The estimated cost of each option is presented in more detail at **Attachment D** and summarized in **Table 7** below.

Table 5: Comparing Tukwila Fire Department, Puget Sound RFA and Renton RFA

	Tukwila Fire	Puget Sound RFA (PSRFA)	Renton RFA (RRFA)
Population Served	19,765	225,693	130,359
Included Jurisdictions	Tukwila	Kent, FD 37 (includes City of Covington), <i>FD 43 and SeaTac by contract</i>	Renton, FD 25 <i>FD 40 by contract</i>
Headquarters	Tukwila	Kent	Renton
Year Established	1943	2010	2016
Governance Structure	The Mayor and City Council of Tukwila	A board comprised of three elected officials from the City of Kent, three commissioners from FD 37, and 3 nonvoting members: one each from the two contract agencies, and one from the City of Coving	A board comprised of three elected officials from the City of Renton and three commissioners from FD 25. FD 40, which contract with RRFA for service, has a nonvoting seat.
Square Miles	9.6	108	33.29
2022 Operating Budget	\$14.3M	\$68.3M	\$43.4M
Annual Calls for service (2021)	6,869	29,438	21,954
Number of Fire Stations	4	13	7
Total Suppression Staffing	54	228	128
Staff per shift	18	59	32
2022 Operating Budget	\$14.3M	\$68.3M	\$43.4M
Funding Model + capital bond	Operations: General Fund Capital: voter approved bond	Fire Levy + Fire Benefit Charge (FBC) (both voter- approved) FBC approved for 10 yrs. (through 2031)	Fire Levy + Fire Benefit Charge (both voter- approved) FBC is permanent
Maximum Fire Levy Rate	N/A	\$1.00/\$1,000 AV	\$1.00/\$1,000 AV

	Tukwila Fire	Puget Sound RFA (PSRFA)	Renton RFA (RRFA)
2022 Fire Levy Rate	N/A	\$0.96/\$1,000 AV	\$0.73/\$1,000 AV
% of Operating Budget secured from FBC	N/A	38% in 2022	38.2% in 2022
Other agencies contracting for service	N/A	City of SeaTac FD 43 (includes City of Maple Valley)	Fire District 40
Capital bonds for facilities	Yes (voter-approved)	No The RFA could issue bonds in the future	No The RFA could issue bonds in the future
Administrative support	Central administrative staff serve all City departments	Admin staff serve the agency	Admin staff serve the agency
ISO (WSRB) Rating (Lower is better)	3	3	2
Accreditation	No	Yes	No (in process)
CARES Unit	No*	Joint Program with RRFA One CARES Unit	Joint Program with PSRFA One CARES Unit
Public Education Program	No*	Yes	Yes
Fire Marshal's Office	Uniform/Civilian	Uniform/Civilian	Civilian
Dedicated Fire Marshal	Battalion Chiefs rotate into this position every 3- 4 years	Yes	Yes
Fire Inspection Program	No*	Yes	Yes
Development Review/Inspection	Yes	Yes	Yes
Patient Transport	All 3 agencies do not transport patients except in rare cases when all other transport units are engaged. Nearly all Basic Life Support transports are made by private ambulance companies. Advanced Life Support transports are provided by Medic 1. A		
Health insurance with retiree program	No	Yes	Yes
Post retirement medical	Yes. City has 18-month COBRA option	Yes	No
Four Platoon staffing model**	No	Yes	Yes

*Could be added with additional city funds.

**Four platoon is preferred by staff; it is very difficult to implement in a small department like Tukwila's.

Table 6: Nine Potential Future Fire/EMS Service Delivery Options Reviewed; Key Differences and Similarities

Options 1-4 (blue cells) are "Tukwila only" options; Options 5-9 (green cells) involve partnering with or being served by another fire agency

Option	Service Provider	Primary Funding Sources	Anticipated Service Levels	Governance/ Management Control	Fire Dept. Employees and Assets	Voter approval required?
Option 1: Status Quo	City of Tukwila Fire Department	City retains funding responsibility. General Fund revenues.	Same	City retains full control over management, budget	Remain with City	No. City could ask voters to approve a property tax levy for Dept. operations, and/or for future capital bonds.
Option 2: Status Quo "Plus" – Funding for enhanced services	City of Tukwila Fire Department.	City retains funding responsibility. General Fund revenues, Enhanced service cost is approximately \$740K a year, potentially less if contracted out with one of the adjacent RFAs.	Enhanced. This option includes funding for <i>three enhanced services</i> : Fire Marshal Office, addition of a public educator position, and contracting for a CARES unit	City retains full control over management and budget (except to the extent enhanced services are contracted out)	Remain with City	No. City could ask voters to approve a property tax levy for Dept. operations, and/or for future capital bonds.
Option 3: Create a Tukwila Fire District, funded solely by property taxes (no Fire Benefit Charge)	A new governmental entity and taxing district, boundaries co-extensive with the City limits	Funding responsibility shifts to the new fire district. The cost of the fire department comes off the City's budget, except City retains the cost of funding LEOFF retiree costs, fire marshal and fire station debt service (" <i>retained costs</i> "). The new District would be funded by a fire levy (property tax) of up to \$1.50/\$1,000 of assessed value (A.V.), and an excess	As modelled, enhanced services were not included—but they could be added with sufficient funding.	The City Council could remain as the governing board, serving as Fire District Commissioners, or could propose a structure of five directly-elected fire commissioners.	Transferred to Fire District	Yes (50%+1) Excess levies need 60% voter approval. Will need periodic voter support to restore property tax collections

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Option	Service Provider	Primary Funding Sources	Anticipated Service Levels	Governance/ Management Control	Fire Dept. Employees and Assets	Voter approval required?
		levy to support the current department budget plus the additional cost of standing up a new agency (administrative services and staffing, reserves, cash flow).				
Option 4: Create a Tukwila Fire District, funded by both property taxes and a Fire Benefit Charge	A new governmental entity and taxing district, boundaries co-extensive with City limits.	Funding responsibility shifts to the new Fire District. The cost of the fire department comes off the City's budget, except for <i>retained costs</i> (see Option 3). The new District would impose a fire levy of up to \$1.00 and a fire benefit charge (a fee, not a tax, sized to reflect the fire assets needed to respond to a fire at physical structures on property). Budget would need to include additional cost of setting up a new agency (administration, reserves, cash flow)	As modelled, enhanced services were not included—but they could be added	Same as Option 3: City Council could remain the governing board or could decide that a directly elected board of commissioners should govern.	Transferred to Fire District	Yes (60% because an FBC is included in the financing model)
Option 5: Partner with another fire service provider to create a Tukwila Regional	A new governmental entity and taxing district. Requires partnering with	Funding responsibility shifts to the new RFA. The cost of the fire department comes off the City's budget except for <i>retained costs</i> .	As modelled, enhanced services were not included—but they could be added	The RFA would have a governance board separate from the City Council. It could be structured to	Transferred to RFA	Yes (60%)

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Option	Service Provider	Primary Funding Sources	Anticipated Service Levels	Governance/ Management Control	Fire Dept. Employees and Assets	Voter approval required?
Fire Authority (RFA) –with a fire benefit charge	another fire agency. Potential partners include adjacent fire districts or cities.	The new RFA funding would be as in Option 4: a maximum \$1.00 fire levy and a fire benefit charge (defined above in Option 4). Budget would need to include additional cost of setting up a new agency (administration, reserves, cash flow)		include City Council members or directly elected commissioners or a mix of both. Representation of the partner agency would need to be considered/added to the board structure.		
Option 6: Contract for Service with Renton Regional Fire Authority (RRFA)	RRFA, a separate municipal government and taxing district.	Funding responsibility remains with City, including <i>retained costs</i> . Could seek additional funding from City voters through dedicated property tax levies to pay for contract costs. Future capital costs could be bond funded.	Response times same as status quo. Enhanced services would be offered.	RFA would control the cost of service delivery. To reduce cost, City could opt out of enhanced services or seek 3-station contract (cost not modelled)	Employees, apparatus and equipment transferred to RFA. City would retain stations.	No. City could ask voters to approve a property tax levy for Dept. operations, and/or for future capital bonds.
Option 7: Contract for Service with Puget Sound Regional Fire Authority (PSRFA)	PSRFA, a separate municipal government and taxing district	Funding responsibility remains with City, including retained costs. Could seek additional funding from City voters through dedicated property tax levies to pay for contract costs. Future capital costs could be bond funded.	Response times same as status quo. Enhanced services would be offered.	RFA would control the cost of service delivery; To reduce cost, City could opt out of enhanced services or seek 3-station contract (not modelled)	Employees, apparatus and equipment transferred to RFA. City would retain stations.	No. City could ask voters to approve a property tax levy for Dept. operations, and/or for future capital bonds.

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Option	Service Provider	Primary Funding Sources	Anticipated Service Levels	Governance/ Management Control	Fire Dept. Employees and Assets	Voter approval required?
Option 8: Annex into RRFA, after initially contracting for service	RRFA. Funding responsibility shifts to the RFA when annexation takes effect.	The RRFA is funded by a maximum fire levy of \$1.00 and a fire benefit charge. The cost of the fire department comes off the City's budget except for <i>retained costs</i> .	Response times same as status quo. Enhanced services would be offered.	The RFA Board controls service levels and costs. City would negotiate for a # of seats on the governing board.	Employees, apparatus and equipment transferred to RFA. Station ownership negotiated.	Yes – 50%+1
Option 9: Annex into PSRFA, after initially contracting for service	PSRFA. Funding responsibility shifts to the RFA when annexation takes effect.	The PSRFA is funded by a maximum fire levy of \$1.00 and a fire benefit charge. The cost of the fire department comes off the City's budget except for <i>retained costs</i> .	Response times same as status quo. Enhanced services would be offered.	The RFA Board controls service levels and costs. City would negotiate for a # of seats on the governing board.	Employees, apparatus and equipment transferred to RFA. Station ownership negotiated.	Yes – 50%+1

Note: All options are also financially supported by a share of regional EMS levy revenues, and include the ability to charge fees for some services

Ten Key Points Underscoring Differences and Similarities between the Nine Options

Before discussing our recommendations there are **ten key points** that are important to understanding the similarities and differences between the nine options.

- 1. Because fire dispatch is regionalized across Zone 3, response times do not change under any option, so long as that option continues a 4-station configuration for Tukwila.** An integral part of the City's ability to deliver the current high level of service is the collaboration and integration of fire/EMS services in south King County. Fire agencies across the south county "Zone 3" area—which includes Tukwila-- jointly fund and operate firefighter recruitment, training, public information officer services, and other aspects of fire service. More importantly, due to the regionalized dispatch of all fire response units in Zone 3, fire responders from multiple adjacent fire agencies respond daily to incidents in Tukwila. Similarly, Tukwila fire units respond daily to events in adjacent jurisdictions. This regionalized deployment of fire/EMS services is necessary to provide effective response on any major incident in any south County jurisdiction. In effect, the Zone 3 dispatching protocols integrate all fire agencies into something like a single fire department for all south King County.
- 2. Enhanced services can be provided—or not—under any option.** The cost of these services is less if provided by PSRFA or RRFA as compared to the City.
- 3. RFAs are essentially identical to fire districts** in terms of their service authority and revenue authority. The only difference is that a RFA must involve at least two fire agencies partnering together to create an RFA, and the RFA statutes provide great flexibility in terms of how the governance board can be structured as compared to a fire district.
- 4. A Fire Benefit Charge (FBC) provides important revenue stabilization and service sustainability for fire agencies—either fire districts or RFAs—but Cities do not have this same authority.** The FBC is not a tax, it is a fee that is based on the fire-response resources needed for different sizes and types of physical structures. The larger and riskier the structure in the event of a fire, the higher the FBC. FBCs have proven popular with voters since they come with reduced fire property taxes and shift costs away from single family residential properties to larger commercial and multi-family properties. The amount of that cost shift depends on the fire agency FBC formula. All fire agencies in the state with an FBC use a similar formula but tailor it each year to adjust how much money is collected in total, and from which property types (single family, multi family, commercial, etc.).

The FBC is not subject to the 101% collection year-to-year cap that applies to property tax. The only limit is that FBC collections in a year cannot exceed 60% of the operating budget for the agency. The FBC must be initially authorized by voters (60% threshold) and after 6 years must again be reauthorized by voters – for another 6 or 10 years, or permanently. RRFA has a 10-year FBC in place now; PSRFA has a permanent FBC.

From a fire agency perspective, FBCs are popular because the combination of a \$1.00 fire levy and an FBC can generate more revenue than a \$1.50 fire levy alone (the fire levy maximum rate

is dropped by one-third if the fire agency uses an FBC) and can be adjusted annually to provide more revenue without going to the voters.

Cities do not have the same statutory ability to implement an FBC as fire agencies: cities can only use an FBC to fund *service enhancements*, not other existing fire costs. So, in Tukwila's case, only the enhanced services or other additions to the budget could be funded by a City FBC.

5. Creating a new taxing jurisdiction/separate municipality requires significant additional cost.

Today, the Fire Department is supported by central city overhead. The costs of that support are not in the Fire Department's budget. If a new fire agency is created—supported by property taxes, and possibly a fire benefit charge—it must provide for the staffing and cost of administration (finance, human resources, information technology, asset management, etc.) as well as reserves to fund operating and capital expenses and cash flow. This is why Options 3, 4, and 5 are the most expensive options.

6. Both PSRFA and RRFA boards have a policy position (not a legal requirement) that any agency that would like to annex to them must first enter into a contract.

Annexation requires the consent of both the RFA and the City and then the approval of City voters. The City cannot force annexation to happen. As we understand it, the stated reasons for the RFAs' position that a contract must precede annexation, based on conversations between City administration and RFA administrators and board members, is to allow the RFA, City government, and city residents and businesses an opportunity to get to know each other. However, it is worth noting that because fire dispatch is regionalized, firefighters from across all Zone 3 agencies work together daily to respond to incidents. Zone 3 agencies have established several regionalized services to reduce operational costs; Tukwila participates in most, but not all, of these regionalized services today. Tukwila Fire staff have strong positive relationships with their fellow Zone 3 agency staff.

Late in our deliberations, we were told that the PSRFA Chief was open to a short timeline (1-2 years) for moving from a contract to annexation. In comparison, RRFA spoke to City staff about wanting a five-year initial contract term before annexation would be considered. We then were told that PSRFA *might* be open to exploring directly annexing Tukwila without first having a contract. The Committee was asked if direct annexation was of interest and we agreed it was—in fact, this turned out to be our consensus preference as an option. Based on our preliminary support for this option, the Mayor sent a letter to the PSRFA Board seeking to explore annexing as a first step (the City Council and Committee received copies of this letter). Unfortunately, the PSRFA Board declined to open up a discussion with the City on this possibility at this time.

7. Contracting for service involves transferring the City's fire employees and assets (excluding stations) to the new contract service provider.

There are both advantages and disadvantages to contracting. The biggest risk we see is that it is a one-way street: it will be extremely difficult, if not impossible to reconstitute a City Fire department in the future. Even moving to a new contract service provider or annexing to a different agency would be much more difficult as all the assets and personnel needed to serve Tukwila would be in ownership of the first contract agency. While it would be possible to transfer assets, it is unclear how firefighters could be

moved from the contract agency back to Tukwila. The current SeaTac-PSRFA contract has a term requiring SeaTac, in the event it terminates the contract in the first 15 years, to rehire any firefighters laid off by the RFA as a result (up to the minimum staffing requirement) “if the city has sufficient resources.” It is not clear that a laid-off firefighter could be compelled to take the job so offered, or how the “sufficiency of resources” would be determined. That said, if there could be a near term move to annexation, the risk of needing to reconstitute a fire department could be minimized. And, to the extent the City prefers annexation as the ultimate outcome, it appears that contracting is currently the only bridge to accomplish that.

8. **In any option that shifts funding off the City’s Budget (including Options 3,4,5,8 and 9), the City will need to take steps to concurrently reduce its taxes in order to keep the cost of these options manageable for residents and businesses.** If the City can eliminate over \$12+ million from its budget, there will be an important policy choice for the Council. ***We would be very opposed to any of these options if the City made no reductions in its budget.*** Should taxes be reduced by this same amount as the Fire Department budget? Should some amount be retained for other City purposes—particularly given the financial pressure on the City? We do not have a recommendation on these questions.
9. **In any option where the City remains responsible to fund Fire/EMS costs (including Options 1, 2, 6 and 7) the City could seek voter support for additional funding.** This would likely take the form of a voter approved levy lid lift.
10. **All costs shown are preliminary estimates.** Cost is an important consideration, but the cost information we have is preliminary. Several corrections were made to the cost comparison data just over the course of our work. While PSRFA and RRFA both submitted an estimated cost for Tukwila to contract for services, those estimates are subject to negotiation. Similarly, for annexation, we have estimates of the cost and impact by building sector, of both the PSRFA and RRFA FBCs if they were applied to Tukwila properties; this FBC information, however, needs further detailed review to ensure it is accurate and complete.

Committee Deliberations on the Options

Once the Committee had been presented with all nine service options, we began our deliberations. We started by completing an online survey in which we rated each option in terms of how well it meets each of the eight criteria we agreed upon, and how we felt about each option overall. We did this individually after our eighth meeting, and then reconvened to review and discuss the survey results together at meeting nine. The results of the survey (completed by 9 of 12 committee members) are presented at **Attachment E** in three parts: (1) the raw data with our comments; (2) a series of bar charts showing how each option fared in terms of meeting each of the eight criteria; and (3) a one-page table summarizing the results. Option 9 (Annexing into PSRFA after first contracting) was the highest rated option. **Table 7** summarizes some of the key data points relevant to us in completing the survey as they relate to our eight criteria.

After reviewing the survey results and discussing them at our ninth meeting, an *iteration of Option 9 – direct annexation to PSRFA without first contracting* -- was rated the highest. At the point of our

deliberations (and when we completed the survey) we were waiting to hear whether “annexation first” might in fact be an option. Following this round of deliberations where we reached consensus to support direct annexation to PSRFA, it was confirmed that this remains off the table for now. Annexing to *either* PSRFA or RRFA will, under their current policies, require that we first contract for service.

Table 7: Comparing How Options 1-9 Address the Eight Criteria (Page 1 of 2)

Committee Identified Criteria	Option 1	Option 2	Option 3	Option 4	Option 5
	Status Quo	Status Quo + Enhanced Services ¹	Tukwila Fire District—funded only with property taxes; <i>City Council as governing board</i>	Tukwila Fire District—property tax and FBC <i>City Council as governing board</i>	Tukwila RFA – property tax & FBC; <i>Shared governing board, City majority</i>
2022 Est. Fire/EMS Service Costs (excluding City retained costs) ²	\$14.2M	\$15M	\$17.9M ³	\$17.9M ³	\$17.9M ³
City retained costs under this option ²	\$2.13M	\$2.13M	\$3.03M	\$3.03M	\$3.03M
Ability of provider to meet needs of diverse community/ large business community	Option 1 doesn't include enhanced services.	Same for all options, if enhanced services are funded.			
Total costs, considering both costs to residents and businesses	Mix of city revenues used to fund the Fire Department		Costs allocated based solely on property values	Costs will be funded primarily through property tax but some costs will be shifted to larger, riskier structures through the FBC	
Impact on Labor	Essentially same in all options 1-5; labor supports providing the enhanced services				
Oversight Control, accountability	City controls	City Controls	City controls	City controls	Shared control
Service Levels	Current	Current + Enhanced Services	Higher risk of service cuts due to property tax reliance	Current levels funded, more stable with FBC included	Current levels funded, more stable with FBC included.
Financial Sustainability	Impacts general fund departments unless new revenue added	Impacts general fund departments unless new revenue added	Relies on strong ongoing voter support for prop. tax "lid lifts," excess levies	More stable than current. Ongoing voter support needed for lid lifts and FBC renewal	More stable than current. Ongoing voter support needed for lid lifts, FBC renewal

- Enhanced services include a shared CARES unit, 2 additional FMO staff, and a public education program.
- Retained costs differ by option. In Options 3,4,5,8 and 9 the City needs to contract back for FMO services; the cost of this service differs depending on the provider (Tukwila staff, RRFA or PSRFA). Other retained costs include debt service on fire stations and LEOFF 1 retiree payments.
- Options 3, 4 and 5 are more expensive due to the need to stand up a new administrative structure, fund reserves and provide for cash flow. Administrative cost estimates in these options are likely underestimated.

Table 7: Comparing How Options 1-9 Address the Eight Criteria (Page 2 of 2)

	Option 6	Option 7	Option 8	Option 9
	Contract for Service with Renton RFA	Contract for Service with Puget Sound RFA	Annexation into Renton RFA	Annexation into Puget Sound RFA
2022 Est. Costs of Fire/EMS service (excl. retained costs)	\$14.56M (based on bid estimate submitted by RRFA)	\$14.9M (based on bid estimate submitted by PSRFA)	\$14.4M (assuming \$0.90 fire levy; FBC data needs additional review)	\$14.2M (assuming \$0.90 fire levy; FBC data needs additional review)
2022 Est. City retained costs (see footnote 2)	\$2.13M	\$2.13M	\$2.74M	\$2.97M
Ability of provider to meet needs of diverse community/ large business community	Includes enhanced services	Includes enhanced services	Includes enhanced services	Includes enhanced services
Total costs, considering both costs to residents and businesses	Paid for by mix of City revenues as is the current fire dept.	Paid for by mix of City revenues as is the current fire dept.	Paid for by mix of fire levy and fire benefit charge. FBC formula is currently very similar to PSRFA FBC.	Paid for by mix of fire levy and fire benefit charge. FBC formula currently is very similar to RRFA FBC formula.
Impact on Labor	Fire Dept employees become RRFA employees. RRFA currently pays less than Tukwila or PSRFA except at senior levels, but labor negotiations ongoing. RRFA must make several adjustments to its collective bargaining agreement (CBA) to bring on Tukwila.	Fire Dept employees become PSRFA employees. PSRFA currently pays more than Tukwila or RRFA.	Fire Dept employees will already be RRFA employees if contract for service precedes annexation. RRFA will have to make several adjustments to its CBA to bring on Tukwila.	Fire Dept employees will already be PSRFA employees if contract for service precedes annexation. If annexation is the first move, employees become PSRFA employees upon annexation. PSRFA currently pays more than RRFA or Tukwila.
Oversight Control, accountability	City controls which services it purchases; RFA controls delivery and cost of the service	City controls which services it purchases; RFA controls delivery and cost of the service	City would have some seats on the RFA board which makes budget and service level decisions; (# of seats to be negotiated)	City would have some seats on the RFA board which makes budget and service level decisions; (# of seats to be negotiated)
Service Levels	Response times unchanged; enhanced services offered	Response times unchanged; enhanced services offered	RFA Board controls service levels & taxpayer cost. RFA now provides the enhanced services	RFA Board controls service levels & taxpayer cost. RFA now provides the enhanced services
Financial Sustainability	Unchanged from status quo: City retains cost risk and responsibility	Unchanged from status quo: City retains cost risk and responsibility	More stable than current; FBC will need voter support to renew in 10 years; levy lid lift vote expected in 1-3 years	More stable than current. FBC is permanently authorized. Fire levy was lifted in 2019 and has inflation adjustor.

Committee's Preferred Outcome: Direct Annexation into PSRFA

Our initial preferred option – with consensus level (80% +) support from Committee members-- is for the City to directly annexing into PSRFA. Our reasons are outlined below. As noted, this does not appear to be a realistic option at this time. Instead, the only path to annexing appears to be through a contract first. *A couple of potential downsides of annexing—other than the fact that this does not appear to be an available option at this time—are noted in italics.*

Ability of provider to meet needs of a diverse community

- As community diversity increases, particularly along our shared border with SeaTac, it will be helpful to have a single agency providing these services.
- PSRFA offers all three enhanced services

Ability of provider to meet needs of a larger business community

- PSRFA has the enhanced FMO services that our business community wants and should have.

Total costs, considering both costs to residents and businesses

- Although the estimates are preliminary, this is one of the lower cost options we looked at and it provides the enhanced services. Based on preliminary cost information, it is expected to be equivalent to annexing into RRFA and less expensive than the status quo with enhanced services.
- There could be a significant opportunity for cost savings over time if PSRFA were able to relocate and expand Station 54 to serve not just Tukwila but also North SeaTac. We expect this would only be undertaken if it could be demonstrated to have no detrimental impact on response times.
- *It is essential to understand that unless the City takes steps to reduce the City Budget after the costs of the Fire Department are transferred to the PSRFA we would not support this option because it would result in a very large tax increase. By what means, and in what amount the City rolls back its taxes and fees, are key policy decisions associated with annexation.*

Impact on the fire department labor force, recruitment, and retention

- Moving to PSRFA is the Fire Department staff's preferred outcome.
- Labor's support will be needed in any transition.
- Tukwila and PSRFA Unions have met and identified no issues in their CBA's if they were to merge.
- Moving to PSRFA provides more opportunities for advancement for our firefighters and will increase their salary, benefits, and shift staffing pattern.

Control over operational and financial decisions

- The City may welcome the ability to transfer control of the Fire Department given how many other issues are on its plate.
- *The City will have less control in this option than in the status quo, but the City would expect to have some seats on the PSRFA governing board (though not a controlling number of seats).*

Overall quality of services (response times and more)

- PSRFA is an accredited agency, which speaks to its high level of service. To maintain that accreditation, the PSRFA must continue to provide high service levels and conduct rigorous data collection to verify its continued qualifications.
- The agency has reserves and plans for future apparatus, equipment, and station replacement.
- PSRFA hosts all of the regionalized Zone 3 programs.

Accountability for outcomes/ability to measure outcomes

- PSRFA must undertake rigorous data collection and reports to ensure it retains its accredited status.

Sustainability of funding

- Annexing would remove the cost of the Fire Department from the City Budget (except for fire marshal services which would be contracted)
- PSRFA has a permanent FBC (approved by voters in 2021)
- Voters in the PSRFA approved a restoration of the fire levy in 2019
- *The downside to a permanent FBC is that it gives the RFA a lot of revenue generating capability without needing to ask for voter support.*

The Committee's Preferred Option(s) absent the ability to directly annex into PSRFA

[to be completed based on input at Meeting 10.]

Benefits and Disadvantages of all Options, in summary

[subject to change based on Committee input at Meeting 10]

Option 1: Status Quo The main benefit of this option is that it doesn't require any change (assuming the City continues to find funds for current services). Disadvantages however are that the financial challenges that prompted this whole effort remain unaddressed unless the City secures voter approval for additional revenue. Other downsides include the missed opportunities around regionalization, and the fact that the Fire Department labor force strongly desires a change to PSRFA.

Option 2: Status Quo Plus Enhanced Services. The main benefit of this option is that it secures additional services that would benefit the community – but we can support this only if the City secures additional revenues to fund them. The request for additional revenues could be expanded to support Fire Department operations in general, addressing the financial sustainability issue. Downsides are the same as Option 1.

Option 3: Tukwila Fire Department Funded with Property Taxes (No FBC). The main benefits of this option are that it gets the Fire Department off the City's budget, and the City could retain control over the new agency if the City Council is the governance board. The downsides are financial: the current Fire Department budget cannot be maintained with the maximum \$1.50/\$1,000 A.V. fire levy (the 2022 fire budget, without central overhead costs, equates to \$1.80/\$1,000 A.V. property tax). This option would be heavily dependent on 60% voter approval of excess levies to maintain service levels. The other financial downside is the additional cost necessary to stand up a new agency with administrative staffing and support costs, plus the cost of funding reserves each year, plus the cost of working capital (needed in the months between receipt of property taxes from the County.) This option also simply reconstitutes the existing City department in a new government—it does not advance regionalization.

Option 4: Tukwila Fire Department Funded with Property Taxes and an FBC. The main benefits of this option are that it gets the Fire Department off the City's budget, and the City could retain control over the new agency if the City Council is the governance board. The advantages are the financial sustainability of an FBC—which the City cannot deploy under current state law (an effort to change the law this year in Olympia was unsuccessful but could be attempted in future sessions). Like Options 3 and 5, another disadvantage is the higher total cost since the new agency will require administrative staffing and services, reserves, and cash flow.

Option 5: Tukwila Regional Fire Authority. The main benefit of this is the same as Option 4: the department comes off the City budget. One difference is that governance control would need to be shared with the RFA partner agency (the City alone cannot create an RFA). The partner modelled is a practically defunct fire district a few blocks in size, already served by the City, that is about to be dissolved by the state. Other potential partners include adjacent fire districts including those serving the Burien and West Hill areas – but neither of those agencies are currently interested in pursuing this option. This option otherwise shares the financial sustainability advantages of Option 4. Some advantages of regionalization could be secured if the City partnered with another functional fire district to create the RFA. Like Options 3 and 4, a disadvantage is the higher total cost since the new agency will require administrative staffing and services, reserves, and cash flow.

Option 6: Contract for Service from RRFA. The benefits of this option are that it appears to be one of the least expensive options. The initial estimate from the RRFA for a contract is slightly less expensive than the PSRFA contract, but some sizeable costs are missing from this estimate, including the cost of dispatch services, capital reserve funding, and the cost of bringing on the Tukwila labor force at pay rates ensuring no salary decrease. This option would be a necessary precedent to annexing with the RRFA. The downsides of this option are first, under a contract, the City loses financial control, and it cannot reconstitute the Fire Department if the contract proves unacceptable over time. Second, the ability to implement this option is uncertain: it will require a negotiation to integrate the two existing labor forces which may or may not succeed. Third, this option does not address the City's financial sustainability challenge – unless voters approved a special levy to support the cost of the contract.

Option 7: Contract for Service from PSRFA. The benefits of this option are that it also appears to be one of the least expensive options, although the bid estimate is somewhat higher than the RRFA bid. This option is a necessary precedent to our preferred option: annexation to the PSRFA. The labor issues in Option 6 and 8 are minimal, as the Tukwila and PSRFA Unions have met and identified no issues in their CBA's if they were to merge. The downsides of this option are that the City loses financial control and

cannot reconstitute the Fire Department if the contract proves unacceptable. The option does not address the City's financial concerns unless voters are asked to approve a special levy to support the cost of the contract. This City's firefighters most prefer an outcome in which they become employees of PSRFA.

Option 8: Annexing to RRFA after initially contracting for service. The benefits of this option are that it gets the Fire Department off the City's budget, and firefighters prefer to move to an RFA as their employer rather than remain at the City. Annexing to RRFA is estimated to cost just slightly more than annexing to PSRFA but these are very preliminary numbers. The major downsides are the risk of the initial contracting period (discussed in Option 6), and the whole annexation process itself. The City would have very little leverage in the annexation negotiation and annexation is contingent upon approval of the RRFA Board, the City Council, and ultimately, the voters.

Option 9: Annexing to PSRFA after initially contracting for service. Like Option 8, the benefits of this option are that it gets the Fire Department off the City's budget, and firefighters prefer to move to an RFA as their employer rather than remain at the City. Annexing to PSFA is estimated to cost just slightly less than annexing to RRFA but these are very preliminary numbers. The major downsides are the risk of the initial contracting period (discussed in Option 7), and the whole annexation process itself. As in Option 8, the City would have very little leverage in the annexation negotiation and annexation is contingent upon approval of the PSRFA Board, the City Council, and ultimately, the voters.

VIII. Public Engagement Strategies the City Should Consider as Part of its Deliberations Following Delivery of this Report

Committee members completed a homework assignment between meetings to develop recommendations on this issue—the fifth task in our mission. Our individual views here are strongly aligned. That said, we are not experts in public communications, so our input is at a fairly high level.

First, we believe the community will be interested in learning about the future for the fire department, especially if the recommendation is to make a significant change from the current operating model.

Second, we think the Community should be educated about the several items, including but not limited to:

- The cost/financial impact of any proposed change. If the proposed action will cost more (overall, or to a segment of the community), what are the associated benefits?
- Details of the changes proposed and how it will affect residents and businesses
- Impacts on service levels, response times
- Why is a change being proposed?
- Some background on how the fire department operates today and the services it provides

Third, we encourage the City to use a wide array of strategies to engage the community, potentially including some or all of the following:

- Town Hall meetings

- Social media
- Flyers/direct mail/letters to residents and businesses
- Tukwila blog posts
- Tukwila news outlets articles
- Providing information flyers at community gathering places, such as mosques and churches.
- Communication through councilmembers

IX. Conclusion

Tukwila residents and businesses are fortunate to receive a very high level of Fire/EMS services today from the Fire Department. We have four fire stations serving our small City, two of which were completely rebuilt just two years ago with the proceeds of City voter-approved bonds. The City is funding ongoing needs for apparatus and equipment replacement. We have dedicated firefighters on staff, and they operate using a relatively new inventory of fire apparatus and equipment; the City continues to invest in these assets each year. Largely because of the large number of fire stations in the City, we enjoy the fastest “first unit on scene” response time in all of South King County.

High-quality fire/EMS service is expensive to provide, and in response to this we have seen extensive regionalization of these services across south King County in the last 15 years. Tukwila benefits from many aspects of this regionalization but remains a relatively small, stand-alone fire service, one of only 7 cities in the County operating a fire department today.

The City has many options in terms of how Fire/EMS services are provided in the future. We were presented with nine options for consideration and examined each of these in detail. General Fund budget challenges increase the importance of exploring these options. That said, the City’s financial challenges cannot be wholly laid at the door of the Fire Department.

Each of the options we reviewed have benefits and drawbacks. Based on the information we have been provided, and the eight criteria we identified as most relevant to making a choice among these options, our preferred option is something not initially proposed to us. Rather, it is an iteration of one of the nine options: to annex directly to PSRFA. Unfortunately, direct annexation does not appear to be something either PSRFA or RRFA are willing to consider at this time.

In light of this reality, our recommendation to the City is [\[to be completed based on discussion at Meeting 10\]](#)

While cost is a very important consideration in making a choice of what to do, financial estimates of each option are preliminary and will change over time and upon closer examination. And cost is only one of the eight criteria we identify as being important. We encourage the City to consider all eight criteria presented.

We thank the City Council for the opportunity to serve on this Committee. It was a very challenging effort and involved the review and consideration of a great amount of information. We are grateful to the City administration and Fire Department for their support of our efforts. We look forward to discussing our recommendations with you.

Attachments

<u>#</u>	<u>Title</u>	<u>Page</u>
A	Committee Member Names and Affiliations	
B	Staff and Consultant Support Team	
C	Templates describing all Nine Options	
D	Estimated 2022 Costs of the Nine Options	
E	Results of Informal Committee Survey Evaluating Options as against the Eight Criteria and Overall	

Attachment A

City of Tukwila

**Future of Fire/EMS Community Advisory Committee
Committee Members and Affiliations**

Member	Affiliation
Sally Blake	Resident
Jim Davis	General Manager, DoubleTree Suites by Hilton, Seattle-Airport-Southcenter
Katrina Dohn	Resident
Ramona Grove	Resident
Hien Kieu (Vice-Chair)	Executive Director, Partners in Employment (PIE)
Peggy McCarthy	Resident
Jovita McConnell	Resident
Ben Oliver	Starfire Sports, Tukwila
Andy Reiswig	Director, Facilities, Physical Security & Real Estate, BECU
Dennis Robertson	Resident
Abdullahi Shakul	Resident
Verna Seal (Chair)	Resident

Attachment B**Committee Support Team**

Name	Title
Allan Ekberg	Mayor
David Cline	City Administrator
Vicky Carlsen	Finance Director
Jay Wittwer	Fire Chief
Norm Golden	Deputy Fire Chief
James Booth	IAFF Local 2088 President
Jake Berry	Public Safety Analyst
Laurel Humphrey	Legislative Analyst
Bill Cushman	Fire Agency Strategic Financial Planner
Karen Reed	Facilitator, Karen Reed Consulting LLC