

TOWN OF FAYAL
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Anthony Tammaro, Chairman

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SPECIAL MEETING OF THE FAYAL TOWN BOARD WITH THE CITIES OF EVELETH & GILBERT
PRESENTATION OF THE FIRE DEPARTMENT CONSOLIDATION STUDY

MARCH 13, 2019

The Special Meeting of the Fayal Town Board of Supervisors was called to order at 6:04 PM by Chairman Tammaro. The meeting was also attended by council members from the cities of Eveleth and Gilbert to discuss the results of the Fire Department Consolidation Study. Present from Fayal were: Chairman Tammaro, Supervisor Chad, Supervisor Ziegler and Clerk/Treasurer Coldagelli. Supervisor Sather was absent. Supervisor Branville arrived at 6:12 PM. Present from the City of Eveleth were: Mayor Bob Vlaisavljevich, Councilman Brian Lillis and Councilman John Rauzi. Present from the City of Gilbert were: Mayor Karl Oberstar Jr., Councilman Rocco Leoni, Councilman Jeremy Skenzich and City Administrator/Clerk James Paulson. St. Louis County Commissioner Keith Nelson, Gilbert Fire Chief Mark Kwiatkowski, Eveleth Fire Chief Guy Spurlin and Fayal Fire Chief Steve Shykes were also in attendance. A list of those in attendance are attached to these minutes. Chairman Tammaro began with the Pledge of Allegiance.

Dr. Tim and Dr. Victoria McGrath from McGrath Consulting Inc. were in attendance to present the Fire Department Consolidation Study results. Dr. Tim McGrath began the presentation with the advantages of shared services. Shared services addresses volunteer shortages, increases member safety, creates a unified training curriculum, a method to improve services, future cost avoidance, standardization of services and eliminates redundancy.

The State Fire Marshal's Office assisted in funding the study. On their website is the "Blueprint for Shared Services," which is a good resource for implementation. John Ehret from the State Fire Marshal's Office was in the audience and works with approximately 198 fire departments throughout the State. The State assisted with 90% of the costs of the study and 10% was funded by the communities.

Study Components- McGrath Consulting came in to discover the culture of the departments and looked for areas of excellence and areas that made sense to work together. They met with stakeholders in the departments, performed data analysis, held community meetings for public input, identified shared opportunities and prioritized recommendations. In regards to government of the municipalities, two of the three communities operated as though they were a private corporation. The study components included standards of response, national standards, staffing, personnel management, facilities, apparatus, training, fire prevention safety education, fiscal and shared service opportunities. Dr. McGrath stressed the importance of fiscal and how he was unable to receive accurate and comparable budgets from each community and that is a critical component of shared services.

Consolidation Recommendations- The recommendations from the report provides two types of consolidations. Full consolidation is the formation of a fire district and the governing body becomes elected people that run that district. Each of the departments becomes part of that district. Operational consolidations are where each fire department remains legally separate, but join together both administrative and operation functions, to deliver services as if they were one department. Each entity holds the fiscal dollars and determines what goes into the pool. The consolidation that made the most sense to the Consultant is an operational consolidation. The departments already operate as a functional consolidation by responding to each other's fires. Moving to an operational consolidation takes advantage of the cost savings and improved safety factors. Consolidated budget formula contributions are based upon equalized market value, population and three-years total calls. Based upon current data, the consolidated budget percentage would break out as Eveleth contributing 41.4%, Fayal 39.9% and Gilbert 18.7%. Dr. McGrath was unable to articulate that into budgetary dollars due to not having comparable budgets provided from all the cities.

There were a number of factors considered to make the recommendation to form an operational consolidation. National Standards such as National Fire Protection Association are not mandatory, but should be used as a benchmark. OSHA standards are mandatory to meet. Insurance Services Offices (ISO) is difficult to determine department evaluation. Combining departments does not determine that all ISO

ratings would be the same for each community, but do receive community risk reduction points by performing education and opportunities in the communities. The Center for Public Safety Excellence has 270 performance standards to assist in setting benchmarks. Emergency activities have increased in the last ten years. Eveleth had a 6.7% increase with the highest call category of false alarm/false call at 42.9%. Fayal had a 6.2% increase in calls with fires accounting for 35.5%. Gilbert had an increase in average calls of 7.3% and fires accounting for 66.2% of those calls. There were no significant findings in calls by day of the week, time of day or by month. The departments currently use a box alarm system. As volunteers, the response times were very impressive and average to above average. Average response times by departments were Eveleth- 8:34, Fayal- 8:51 and Gilbert- 7:15. Average times on scene were Eveleth- 11:28, Fayal- 18:45 and Gilbert- 9:14.

Human Resources- All three departments staff with paid-on-call and Eveleth has a separate EMS department. Dr. Victoria McGrath discussed human resource items and meeting FSLA regulations. Volunteers are allowed a nominal fee/stipend and are not tied to an hourly compensation. If paid by the hour, must meet the minimum wage of \$9.86/hr and follow at least a monthly pay cycle. Recommendation for all departments is revise to pay via stipend or nominal fee, or classify as an employee. Officer stipends vary among the municipalities, but would recommend aligning those stipends to those responsibilities or rank. Would also recommend job descriptions for all positions. In regards to demographics, all three communities faced a decrease in individuals with 6-10 years of service, which correlates with age demographics. Recommendations was focus on retention of those individuals. Dr. McGrath also recommended performance evaluations, but do not have to be very indepth.

Fire chief hiring is recommended as having a formal appointment process with a job description, having external-internal recruitment, assessment center testing and a three-year contract. Other items discussed within the report is recruitment, orientation, employee handbook, job descriptions, performance evaluations, promotions and personnel records. Chairman Tammaro questioned who is monitoring these items that we are doing incorrectly and how do we know that we are doing it wrong? Dr. McGrath answered that those performing HR functions would need to understand rules and regulations and it is not uncommon for small organizations to unintentionally do it incorrectly. For many its the way its always been done. Resident Joe Sopp questioned that the recommendation was to form an operational department, that all sites wouldn't need an apparatus as a costsaving measure, but if all the departments are individual with a fire station but also combine and have one central station, how could they not have to have the same appartus that they have now? Dr. Tim McGrath answered that currently each station has two engines and each also has a squad. Shifting some of those vehicles around would save.

Facilities- All three departments need to equip the apparatus bay floor with an OSHA vehicle emission exhaust system. All three should be equipped with a sprinkler system and all should be equipped with an emergency power generator which provides 100% of the facilities electrical needs. Eveleth's building was built in 1989, Fayal in 1986 and Gilbert 1993. According to NFPA standards, apparatus over 15 years old should not be the first in line and apparatus over 25 years old should be replaced.

Training- Recommend training together with a minimum of six-hours in combined training sessions per month. State provides a program, Image Trend, and suggests to spend the money for training to learn to use the program. Measure for competencies with members and training programs. Also recommend quarterly fire department officers combined training.

Fiscally- Budgets are approved by the municipalities. The Consultant discovered issues and was unable to break out the costs that reflected true comparisons of the cities beyond pay and stipends. Need to determine what is actually spent on things such as PPE and SCBAs.

Types of Consolidations and Recommendations- Administrative consolidation has been suggested with one person doing all the administrative work and still running the way things are. Functional consolidation is already being done in the departments. A merger type of consolidation is not seen as an advantage because still have a need for all three existing fire department buildings and closing a station is not recommended. Operational consolidation would have a joint powers agreement and we do use this type of consolidation for other things already. These consolidations work very well. Dr. McGrath does not recommend a full consolidation because he did not get the impression from the elected officials that the culture would support turning it over to a district, but it appeared they were in favor of working together more.

Shared Services Obstacles- Problems that arise that lead to consolidations not working are a loss of local autonomy and control, current and past members, policital will, resistance to change/tradition, hidden agendas, different fire department culutures and the end product could cost more.

Discussion- Joe Sopp wanted to clarify that it will cost each department more because they will now need to pay everyone more, but now doing it with less equipment. He questioned how that would benefit the

public? Dr. Tim McGrath clarified that the pay is subject to minimum wage laws. In regards to less equipment, if each station can get out the door relatively quickly, there is usually not a reduction in equipment. Dr. Victoria McGrath also clarified that its not "stripping down the equipment," but make better use of the equipment, such as restructuring the equipment to adequately staff it. Possibly utilizing funds and shifting to a different type of equipment to meet needs. The idea is not to be ineffective, inefficient and create a greater risk for people to lose their homes, but from a bigger geographical perspective and make better choices for types of equipment and where it should be staged. Mr. Sopp questioned that with mutual aid all the departments are coming to structure fires as it is, is consolidation better? Is it easier to procure money from somewhere? Dr. McGrath answered that wages could cost more, or a stipend could be used. He also added that three departments will go out with consolidation, to which Mr. Sopp added that is how it currently works. Dr. McGrath responded that logistically, any fire department member could access any station to assist in a fire, in which that is not how it works today. Consolidating is using resources and people correctly. If looking at it as a costs savings, there is not one initially, but in the long run it will.

Supervisor Patrick Ziegler asked that if everyone is keeping their own budgets and consolidating, he understands it will cost money, but how is that going to help us when one of the cities needs a new engine but cannot afford it? Is downsizing equipment going to help pull money by combining apparatus through the three communities? Dr. McGrath recommended an apparatus replacement plan and showing the reasoning for the replacement. If one is needed, then it should be placed strategically to do the most good for the department. All municipalities putting money in helps to maintain the control and the pooled funds are controlled by representation from the three communities to determine what is best for all three.

Fayal Fire Department member Matt Hoffmann wanted to clarify that during the presentation the departments were referenced as the competition. He wanted to make it clear that there is no competition now and that they all work together. He also added there is not any apparatus duplication between the departments and they do not have extra pieces of equipment. Dr. Tim McGrath agreed that they are not in competition, but during recruitment they are as their members can come from surrounding communities. Dr. McGrath said that apparatus can be looked at differently and looks at age and replacement. If all three communities came together, they stand a better chance at receiving grants as one than separate.

An audience member stated that they need all their engines and they can staff them all. Fayal Fire Chief Steve Shykes wanted to clear up the confusion and added that the different models for apparatus placement has not been decided or discussed yet. If the communities come together, the three departments will have to meet with the elected officials to decide what is best for all three areas. Chief Shykes added that consolidating would provide a greater safety to the fire department by having one training program, standard operating guidelines and those types of things takes cooperation from everyone. Chairman Tammaro added that the departments are going to want uniformity with the same turnout gear, SCBA's, etc. The three departments recently submitted a grant for replacement of SCBA's.

Joe Sopp stated that he can see the benefit of consolidating as far as equipment is concerned. By having all the same equipment with the same name and putting the new equipment in the new station or shifting things around, then he can see there would be a big savings and you can get what you need. Dr. McGrath added there can be some animosity when one department gets something, but Mr. Sopp added that we all benefit. Dr. McGrath strongly suggested adding "proudly serving" and listing the communities. Chairman Tammaro added that when Fayal contracted with the Eveleth Police Department, they added Fayal on their vehicles. Gilbert also did the same thing. Matt Hoffmann added that with uniformity comes cost savings.

Chairman Tammaro discussed that four years ago he and the Mayor of Eveleth had a conversation about consolidation and it has come this far. Mayor Vlasislavjevic added that this is complicated and they are relying on the expertise of the department members to steer this along. This is looking to the future. Dr. Tim McGrath recommended taking the report under advisement, put together a small group and start looking at what recommendations make sense. The cultures at this point are too far apart, but all want the same thing and it can be done and be done more effectively for safety, cost and the future of providing better service.

Gilbert Councilor Jeremy Skenzich asked Dr. McGrath if he had seen departments lose members due to consolidation, to which Dr. McGrath answered that yes some will be lost. When an individual loses sight of what is best for the community then it becomes a grey area. Respect those individual's time and service and look for opportunities to bring new individuals in. Mayor Vlasislavjevic added there are unique combinations such as having an airport located in Fayal's jurisdiction, but it is property that is owned by Eveleth. A consolidation could help purchase equipment that could help at the airport or the seaplane base. Dr. McGrath added that the state is funding these studies because they know it works. Chairman Tammaro brought forward the example of Calumet and Marble that have combined and it has worked great. One of the fire department members from one of the other cities has spoken with the fire chief of those cities and

the chief would gladly come and speak to the group. Mayor Oberstar added that Gilbert is there to support this and the Mayor is an advocate of working together. During this presentation, there has been many pros and cons discussed, which the largest likely being the cost. Dr. McGrath added that the cities have a great foundation and that we are light years ahead of other communities that he has dealt with.

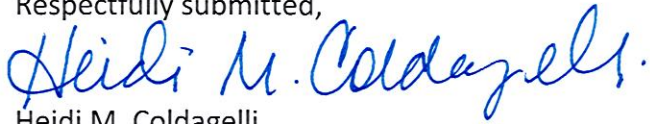
Motion to receive the shared services study report, made by Supervisor Ziegler, support from Supervisor Branville. Motion carried unanimously.

Chairman Tammaro recommended that the other cities accept the study at their next meeting. He went on to add that the three communities set up a small committee with the fire chiefs, an elected official or a representative. Chairman Tammaro asked Commissioner Keith Nelson his opinion if that was a good idea, to which Commission Nelson shared his story of consolidation of the Emergency Op. There were issues, but they have worked through them and Commissioner Nelson offered his support. Chairman Tammaro reiterated that the Town Board will appoint a member to the committee and this project will take time. The IRRRB at a prior Fayal meeting indicated there was money available for this project. Commissioner Nelson added that with a high degree of confidence that response times will continue to be the best that they possibly can and that is what is inspiring in these communities and working together is a good thing.

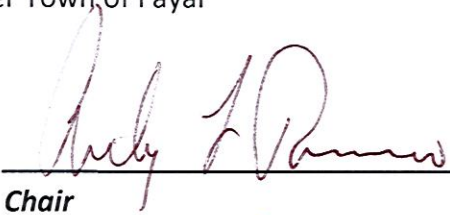
Motion to adjourn, made by Supervisor Branville, support from Supervisor Ziegler.

Chairman Tammaro adjourned the Special Meeting at 7:34 PM.

Respectfully submitted,



Heidi M. Coldagelli
Clerk/Treasurer Town of Fayal

Approved: 
Chair

Date: 4-3-19

Attest: 
Clerk

Fire Department Study meeting Sign-in Wednesday March 13th, 2019

<u>Name</u>	<u>City / Town</u>
1. Heidi Coldagelli	Fayal
2. Steve Shykes	Fayal
3. Marck Kwiatkowski	Gilbert
4. Scott Lesnar	Eveleth
5. John Rauzi	Illustrious Eveleth Council
6. Karl Obersta-Jr	Gilbert Mayor
7. Rocco Leonardi	Gilbert Councilor
8. BRIAN LILLIS	EVELETH COUNCILOR
9. Jeremy Skenzich	Gilbert Councilor
10. Matt Hoffman	Fayal FD
11. GREG S. CHAN	FAYAL FD
12. Nick Proter	FAYAL FD
13. Tony Tamman	FAYAL
24 Nick Brascagli	Fayal
25	Fayal
26 curtis schramm	Fayal
Hunter Tarr	Fayal
Christensen Con	Fayal
Jeremy Widmer	FAYAL Fayal FD
Timothy Gualtes	fayal / Eveleth
Jim Pavlan	Gilbert clerk
Patrick Lingbar	Fayal
Koss Haverkamp	Gilbert
Bryan Sampson	Fayal FD
Bob Maisavjevich	Eveleth
Therese Elveum	Eveleth Ambulance
Adam Ferkul	Gilbert
Mika Thelen	Gilbert
Mark Hiltzman	Gilbert
Anthony Nemanick	Gilbert
Chris Erickson	Fayal
Tim Thompson	Fayal
Mike Lewis	EVELETH

ERIC JANKLA
Joe & Janet Sapp
Tim DAVEY
LES/DEE SKOGS
Dan Mackey
Ronald Evans
MARK CHAD
CARIS SAKSTAD
Jim Fisher
LEE BANVILLE
DAN KRASKEY
CASSY SELEN
CODY SELEN
Guy Spurlin
JAYME CUFF
ANGIE AASEN
SHERRY ELG
WADE PETERSON
COLLIN ANDERSON

FAYAL
Fayal
EVELETH
FAYAL
ERFDC
Fayal/
FAYAL TOWN BOARD
Fayal Fire
McNIGHT Twp
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