

## AGENDA ITEM #4.

### CITY COUNCIL COMMUNICATION FORM

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**FROM:** Mel Stewart, Fire Chief

**THROUGH:** Gary Suiter, City Manager

**DATE:** February 13, 2018

**ITEM:** Fire Sustainability/All things Fire.

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X  INFORMATION ONLY

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#### **I. REQUEST/ISSUE & BACKGROUND INFORMATION:**

City Council Members Scott Ford and Lisel Petis, as "Fire representatives" of the City Council, met with Steamboat Springs Area Fire Protection District (SSAFPD) representatives and City Staff on January 23, 2018. The summary of that meeting is attached.

The purpose of that meeting was to begin exploring the creation/extension of the Steamboat Fire Protection District to include (property/individuals) within the city limits of Steamboat Springs.

Council members Ford and Petis are requesting direction from the City Council on forming a citizen's committee appointed by City Council or to proceed with just the group that has been meeting.

#### **II. ALTERNATIVES:**

Discussion?

**III. STAFF RECOMMENDATION:**

NA

**IV. FISCAL IMPACTS:**

NA

**V. LEGAL ISSUES:**

NA

**VI. CONFLICTS OR ENVIRONMENTAL ISSUES:**

NA

**VII. CONSISTENCY WITH COUNCIL GOALS AND POLICIES**

Yes

**ATTACHMENTS:**

Attachment 1: Report from Councilman Ford on the January 23, 2018 meeting with City Council, SSAFPD representatives and City Staff.

# Attachment #1

## Meeting with board members of the Steamboat Springs Fire Protection District

### When & Where:

Tuesday, January 23<sup>rd</sup> / 11:00 am / Citizens Hall, room 113/114

### Who:

Steamboat Fire Protection District Elected Board Members- Randel Hannaway, Karl Gills

City Staff – Mel Stewart; Chuck Cerasoli, Kim Weber, Dan Foote and Gary Suiter  
City Council – Lisel Petis and Scott Ford

### Purpose:

First meeting to begin exploring the creation/extension of the Steamboat Fire Protection District to include (property/individuals) within the city limits of Steamboat Springs.

### Outcome:

There is a willing interest among all parties to explore the creation/extension of the Steamboat Springs Fire Protection District to include property/individuals currently within the boundaries of the city limits of Steamboat Springs.

A very rough agenda outline of what we collectively would like to discuss:

- A. Why the previous ballot measure to consolidate the fire protection district failed?
- B. Pro/Con associated with the creation/consolidation of the fire district
- C. Major Challenges associated with the creation/consolidation of the fire district
- D. Next Steps and Time Line

### **A - Why the previous ballot measure to consolidate the fire protection district failed?**

The best recollection of those in the room is that it failed because of the distribution of assets and City residents WIIFM, or: What's in It for Me? This is an area that may need more study.

### **B – Pros/Cons of creating/consolidating a Fire Protection District**

Pros:

- A. A sustainable funding model based on a property tax mill levy that can accommodate future growth. A property tax is better aligned with this type of service (property values) than sales tax is.
- B. Simplification of governance by eliminating the need for an IGA between two governing bodies. A simpler governance model not based on an IGA.
- C. Fire assets would be off the City's books and be the responsibility of the Fire Protection District

- D. A separate district with a single function vs. a department within the City competing with other City departments for funding.
- E. A property tax funding source is easier to budget for. Not as volatile as sales tax.
- F. Consistent services/message to "community" not just the City.
- G. After "transition" the ownership of assets and future capital improvement needs is clear.
- H. Fire protection services no longer in the city's general fund budget

Cons:

- A. The transfer of assets could result in unanticipated costs to the district thus impacting cash for operations
- B. Acquiring property for a new downtown station could be more complicated and/or expensive if the decision is to place the station on property that is currently owned by the City.
- C. The "Gallagher" effect on commercial properties currently within the City.
- D. The impact of "Gallagher" on the fire protection districts current mil levy.

**C – Major Challenges**

- A. Clearly defining a plan for the use of "freed up funds" for the City as fire services are removed from the budget. May need to consider an "offset" as a matter of fairness.
- B. How much funding would a consolidated fire protection district need? Is the current fire protection district mil levy sufficient to support the planned level of increased services?
- C. Even with a successful property tax ballot issue – the funds are delayed a year until received. What is the method to provide cash flow during the transition before property tax funds are received?
- D. From a legal perspective this is not a process that is initiated by City but initiated by the existing fire protection district.
- E. Developing a reason why the citizens of Steamboat Springs would be willing to accept a property tax to pay for a service that they are already receiving.
- F. When would be the best time to ask for a vote? November 2018 or 2019?
- G. What current efforts would be "frozen as the question moves forward?
- H. Developing a citizens committee to develop/support a ballot initiative.

**D – Next Steps**

- A. Next meeting is scheduled for February x. Prior to that date Lisel and Scott will get direction from City Council on the possibility of forming a citizen's committee appointed by City Council or to proceed with just the list of players.
- B. Develop a proposed timeline to determine if 2018 or 2019 ballot initiative is feasible.

Great quote from Lisel – *"A good government plans ahead so the citizens do not have to feel the pain of not planning."*