

Sierra Forest Fire Protection District
Study
of
Fire Service Alternatives

Phase 2

April 30, 2004

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April 30, 2004

Board of Fire Commissioners
Sierra Forest Fire Protection District
Washoe County
P.O. Box 11130
Reno, Nevada 89520

Dear Commissioners:

Walker & Associates was engaged by the Sierra Forest Fire Protection District (SFFPD) to perform a Study of Alternative Service Levels in Washoe County. Included herein is the completion of Phase 2 of that study including recommendations on the preferred alternative for District service levels.

According to the Board of Fire Commissioner's general direction, Phase 2 included a review of the levels of fire service provided throughout the Washoe County portion of the District, including those services provided by and to the City of Reno and Truckee Meadows Fire Protection District (TMFPD) to determine whether there are more appropriate alternative levels of fire service. Twelve alternatives were reviewed and analyzed. Phase 2 also included the exploration of the options for SFFPD and the City of Reno to jointly share in the costs of the Verdi fire station due to recent City annexations and growth.

Over the past several months, a team of professionals consisting of representatives from the Sierra Forest Fire Protection District, Nevada Division of Forestry, City of Reno Fire Department, Washoe County, Volunteer Fire Chiefs, federal agencies, firefighter unions and Walker & Associates have met to compile data and review various service level options. There has been a tremendous amount of time and effort given to this Study by each representative. Without their assistance and expertise, this Study could not have been completed.

Some of the highlights of the past several months' activities are as follows:

1) Public Information Program. According to the Board of Fire Commissioners' direction, presentations regarding the service level alternatives were made to the Verdi, Galena, South Truckee Meadows, and Washoe Valley Citizen Advisory Boards in addition to presentations to the Washoe County Volunteer Fire Chiefs' Association. Two presentations were made to each Advisory Board and Association, one on the original alternatives and a second presentation on the three preferred alternatives. Please see Attachment 1, "Phase 2 Timelines" which outlines the public information program and study timelines.

2) Call Volume Data was Collected and Analyzed. During the past several months, a great deal of information has been collected and analyzed regarding call volume data by number of calls and level of response (number of units responding) throughout the Washoe County SFFPD. The data includes those calls provided by and to the City of Reno and the Truckee Meadows Fire Protection District. A summary of the agreed upon call volume data is provided in Attachment 2. This data was collected for calendar year 2002 with an update of Verdi call volume for calendar year 2003. Please see Attachment 2, "Summary of Agreed Upon Call Volume Data."

3) Cost Sharing of Verdi Station 5 with the City of Reno. The study team has also been meeting over the past few months to review various alternatives for SFFPD and the City of Reno to jointly share in the costs of Verdi Station 5 due to recent City annexations and growth in Verdi. The goal was to insure a proper methodology in allocating the costs of the Verdi fire station between the City of Reno and SFFPD which would reflect current and future demands on service. The four alternative methodologies are detailed in Attachment 3 and are summarized as follows:

1. **Tax Collection Method.** This method proposes for SFFPD to pay the City of Reno the amount of tax revenue generated by the District at Verdi in exchange for the City assuming the District's EMS and structural fire service remaining in Verdi. Wildland fire service would remain with the Nevada Division of Forestry.
2. **Call Volume Method.** This method proposes for SFFPD and the City of Reno to share in the cost of the Verdi fire station based upon each entity's proportionate share of the station's call volume for EMS and structural fires for District calls and California calls. Wildland fire service would remain with the Nevada Division of Forestry.
3. **Assessed Valuation Method.** This method proposes for SFFPD and the City of Reno to share in the cost of the Verdi fire station based upon each entity's proportionate share of real property assessed value of the area of first response at Verdi. Wildland fire service would remain with the Nevada Division of Forestry.
4. **50% Call Volume / 50% Assessed Valuation Method.** This method proposes for SFFPD and the City of Reno to share in the cost of the Verdi fire station based 50% upon the proportionate share of Station 5 call volume and 50% based on the proportionate share of the real property assessed value of the area of first response at Verdi. Wildland fire service would remain with the Nevada Division of Forestry.

Of the four methods analyzed and discussed, Alternative 4, the 50% Call Volume / 50% Assessed Valuation method, was chosen by the study team to be the best alternative to reflect the growing and changing fire service demands at Verdi. Under this method, before annexation of the Verdi area of Sphere of Influence, SFFPD would pay 64.46% of the cost of the Verdi Station

or \$978,061 while the City of Reno would pay 35.54% of the cost of the Verdi Station or \$539,171 for a total cost of \$1,517,232.

This method would also reflect future changing demands for service. For example, an analysis was done of the Verdi areas of the Sphere of Influence. Using 2003 call volume and assessed value information, it is estimated after the City annexes the Verdi area of the Sphere of Influence, SFFPD's proportionate share of the cost of the Verdi station would decrease to 50.16% or \$761,104 while the City of Reno's proportionate share of the cost of the Verdi station would increase to 49.84% or \$756,128 for a total cost of \$1,517,232.

Therefore, Alternative 4, the 50% call volume / 50% assessed value alternative, provides a method whereby a fair and equitable allocation of the costs of the Verdi station is responsive to the current and growing future demands for fire service at Verdi.

4) Preferred Alternative: Alternative 7 Contract for Service Between the Sierra Forest Fire Protection District and Truckee Meadows Fire Protection District with SFFPD Retaining Wildland Fire Service and Cost Sharing Verdi Station Model.

The staffs of the Nevada Division of Forestry, Sierra Forest Fire Protection District, City of Reno, Washoe County and Walker & Associates recommend the implementation of Alternative 7 as the preferred alternative for the operational consolidation of EMS and structural fire service provided by SFFPD and TMFPD.

This Model anticipates going back to the original intent of the establishment of the Sierra Forest Fire Protection District which was to provide watershed and wildland fire protection along the wildland urban interface of the Western Sierras. Since the District's establishment, the area within the District's boundaries became more populated and urbanized requiring a greater level of service than originally intended. To meet this demand, the District's level of service evolved from a wildland fire and watershed protection service to include emergency medical and structural fire suppression services.

While this Model includes retaining wildland fire service with SFFPD, the emergency medical and structural fire prevention and suppression services would be transferred to TMFPD through a contract for service. A similar model has been implemented with local fire departments in Douglas County and Storey County.

It is important to note that according to the Interlocal Agreement for Fire Service and Consolidation between the City of Reno and Truckee Meadows Fire Protection District, the City provides the fire services to the TMFPD. Therefore, if the TMFPD were to contract to provide services to the SFFPD, the SFFPD would be serviced by the City of Reno/TMFPD Consolidated Fire Department for emergency medical and structural fire suppression services.

This Model assumes the sharing of costs of the Verdi fire station between the City of Reno and SFFPD in proportion to each entity's call volume and assessed value of the first area of response

in Verdi. It also assumes the District adding seasonal wildland fire crews. Under this Alternative, the overall volunteer program will not change since the current contracts with the volunteers will remain in effect and will be honored by the City of Reno, however, adjustments to current VFD operations and administration may be necessary due to the differences in operations of the respective host agencies.

While the contract for service is being proposed for the immediate future, it is recommended the long-term permanent merging of the two districts be accomplished through the TMFPD annexation of the SFFPD-Washoe County portion for structural fire and EMS services. Because the consolidation of two local governments also means the merging of the tax rates which, in this case, would increase SFFPD's tax rate while decreasing TMFPD's tax rate, it is recommended an annexation not take place until the TMFPD's tax rate can overtime through the anticipated increased growth in assessed valuation be decreased by its current 47.18 cents to the SFFPD's 42 cents per \$100 of assessed valuation. It is estimated an equalization of the tax rates would take several years. This long-term method of implementation will eliminate the potential increase in tax rates an annexation could cause initially.

It is important to note that a future annexation of SFFPD by the TMFPD would require legislative action to accomplish. By law, there are only two ways for TMFPD to annex portions or all of the SFFPD as follows:

- 1) Property owners petition out of the SFFPD and the State Forester agrees; or
- 2) Through developer agreement prior to development with the State Forester's agreement.

It is the opinion of the Washoe County District Attorney's Office that legislation will be required to implement a future permanent annexation of the Sierra Forest Fire Protection District's EMS and structural fire services and the locally controlled and operated Truckee Meadows Fire Protection District.

The advantages and disadvantages of Alternative 7 are summarized below.

Advantages:

- 1) Combines the operations of EMS and structural fire services of two smaller entities into one larger entity which pools the risks and provides for larger combined fund balances and contingency funds to pay for the costs of providing fire services.
- 2) Most financially sound option of the six options which retain State emergency funds for wildland fire suppression.
- 3) Eliminates the financial and service level inequities between the entities through the sharing of the cost of the Verdi fire station between the City of Reno and SFFPD. This cost sharing will save the taxpayers of both entities several hundreds of thousands of dollars of operational costs each year. For example, it is anticipated SFFPD would pay approximately 50% of the cost of the Verdi station after the City of Reno annexation of the Verdi area of the Sphere of Influence. Using FY 2005 costs, this will save the District approximately \$340,000 in one year alone. As the City of Reno grows in the Verdi area, the District's share of the costs will decline reflecting

additional future savings for the District. Conversely, without this agreement, the City of Reno would have to fully pay for one Reno station in Verdi, instead of sharing the costs of the station with the District. With this agreement, the City of Reno would save the amount of funding the District would pay for the station which would equate to approximately \$760,000 per year after annexation of the Verdi area of the Sphere of Influence based upon Reno's call volume and assessed value of area of service.

- 4) Increases the level of EMS and structural fire service through consolidation of already existing fire department operations by decreasing response times through dispatch efficiencies and reduction of duplication of resources on incidents. For example, Truckee Meadows Fire District experienced a 27% decrease in response times due to the consolidation with the Reno Fire Department.
- 5) Retains the State of Nevada's Emergency Funds for wildland fires.
- 6) State retains responsibility of wildland fire service on State and private lands.
- 7) City of Reno annexation neutral for services and funding. If City annexations occur within the District, there would be no change in fire service providers or decrease in funding through the use of the TMFPD-Reno contract for services which would hold both Districts harmless for the loss of tax revenues when City annexations occur.
- 8) Furthers the Board of County Commissioner's goals of regional consolidation of local government services.
- 9) Increases the number of seasonal wildland fire crews.
- 10) Streamlines the current administrative inefficiencies of a bifurcated state-county administrative system.
- 11) Does not add another layer of local government administration.
- 12) Increases local accountability.
- 13) Increases the levels of fire service while not increasing the taxes to the public.

Disadvantages:

- 1) Requires contracts for ownership or use of fire stations and some equipment.
- 2) Requires initial years' contribution by the TMFPD until the SFFPD assessed valuation grows and additional decreases in the cost of the Verdi station are realized through the City growth in Verdi. The first years' contribution by the TMFPD may approach \$550,000, however, even with the contribution, the TMFPD will still maintain its financial soundness. It should also be recognized the TMFPD's level of service will increase through the implementation of Alternative 7 due to an increased depth of resources and streamlined dispatch process which will provide quicker response times in the SFFPD and TMFPD.
- 3) Requires legislation to implement the future annexation of 473 properties into a 474 District.

Other Considerations of Alternative 7: While this Alternative would address the current county-state employee wage disparities, it would increase the employee costs.

5) Staffing:

In order to accommodate the cost of increasing the salaries and benefits of the SFFPD's employees to the City of Reno/TMFPD's level of salaries and benefits because of the operational

consolidation, the elimination of positions may be required. However, no person loses a job or sees a decrease in salaries or benefits from the potential implementation of Alternative 7. There may be a few employees who may have to be transferred to the City of Reno/TMFPD at a different position from what they held at SFFPD, however, the employees would still see a substantial raise in pay and benefits. This is subject to negotiations between the unions, management and governing bodies if the governing bodies determine to proceed with the implementation of Alternative 7.

6) Timing of Implementation.

While the concurrence of the entities' staffs to select Alternative 7 as the preferred alternative was relatively easy due to its numerous positive attributes, the timing of the implementation has not yet been agreed upon. Therefore, no recommended timing for implementation is provided to you for your consideration at this time without further discussion with the parties during the implementation phase.

7) Summary of Report Recommendations:

- 1) To implement Alternative 7, Contract for Service Between the Sierra Forest Fire Protection District and Truckee Meadows Fire Protection District with the Sierra Forest Fire Protection District Retaining Wildland Fire Service, with an implementation date to be determined during the implementation phase. Implementation measures would include negotiations of a contract for service between SFFPD and TMFPD, modifications to the current TMFPD-City of Reno Contract for Services, delineation of scope, operations and costs of the wildland fire services to be provided by the SFFPD and the development of an implementation plan which would address employee transfers to the City of Reno, volunteer issues, use of fire stations and equipment and many other areas.
- 2) To implement through Alternative 7, the Alternative 4 SFFPD-City of Reno cost sharing alternative for the Verdi fire station which is the 50% assessed value / 50% call volume method in order to best allocate fire service costs based upon the current and future demands for fire service at Verdi.
- 3) To review, in the future, the long-term permanent merging of the TMFPD and SFFPD through the TMFPD annexation of the SFFPD-Washoe County portion for structural fire and EMS services. The decision for the implementation of the annexation should be made at a time in the future when the TMFPD tax rates and SFFPD tax rates are equalized in order to avoid any potential increase in tax rates.

It is further recommended the Sierra Forest Fire Board of Fire Commissioners direct staff to present the findings of this report to the affected Citizen Advisory Boards in May for their final input and to bring that input back to the Board and the Nevada Division of Forestry for their final decision in June.

In conclusion, the Study of Fire Service Alternatives for the Sierra Forest Fire Protection District has been a cooperative effort between all the entities involved and Walker & Associates. Walker & Associates would personally like to thank all the representatives from the Sierra Forest Fire Protection District, Nevada Division of Forestry, City of Reno Fire Department, Washoe County, Volunteer Fire Chiefs, federal agencies and union representatives who provided valuable input and professional expertise during this undertaking. Without their expertise, guidance and effort, this report could not have been completed.

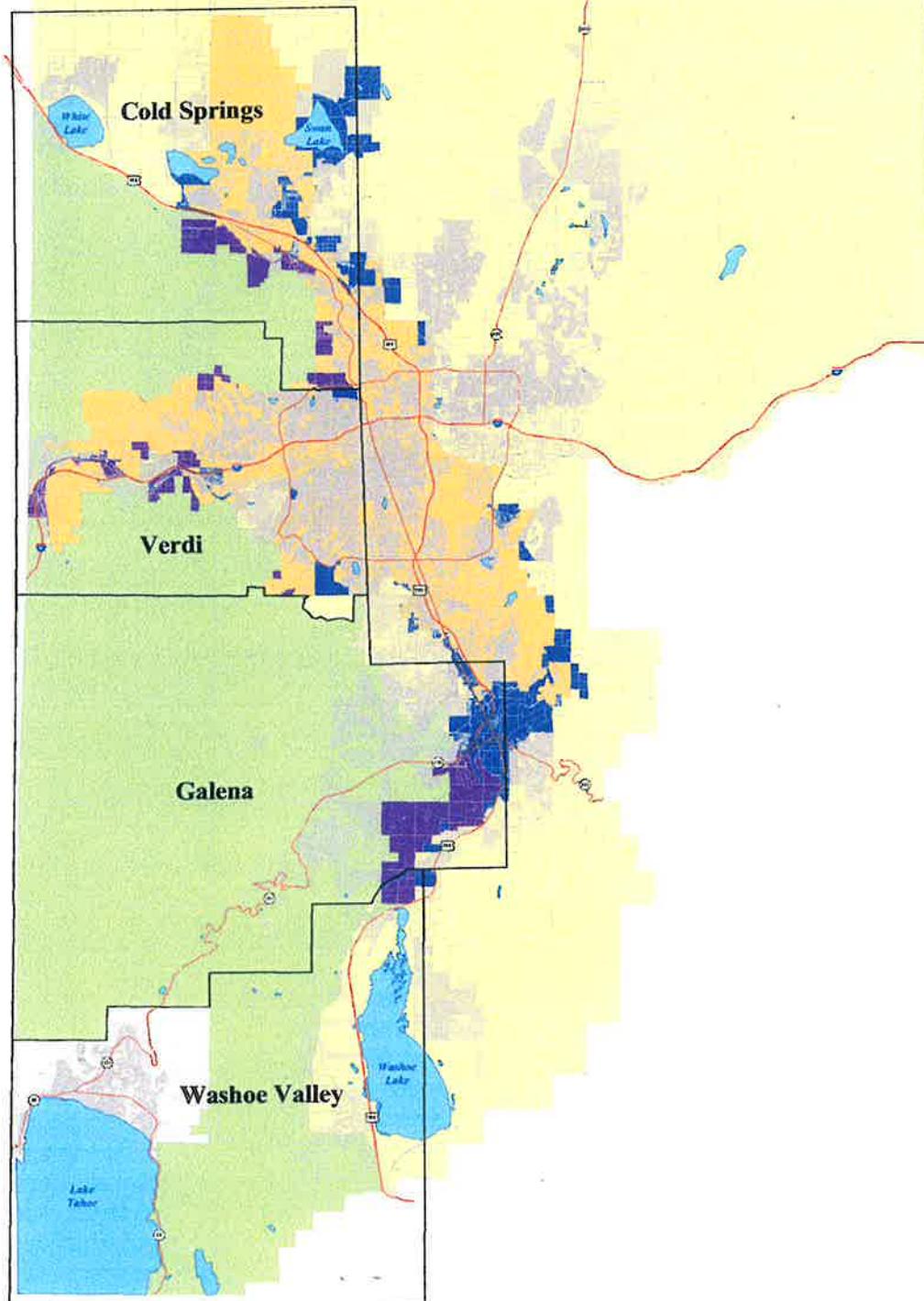
Walker & Associates sincerely appreciates the opportunity to be of service to the District, Board of Fire Commissioners and the community. We hope that the information presented herein provides you with the information needed to make informed decisions regarding future fire service in the Sierra Forest Fire Protection District.

If you have any questions or comments, please do not hesitate to contact me at any time.

Sincerely,

Mary C. Walker

Mary C. Walker, CPA
President, Walker & Associates



Legend

- Survey Areas
- Major Roads
- Parcels
- Lake
- Reno
- Sierra FPD - Reno SOI
- Reno SOI
- Sierra FPD
- North Lake Tahoe FPD
- Truckee Meadows FPD

Sierra Fire Protection District Parcel Survey Areas

1:71,000

0 1 2 4 6 8 Miles

Washoe County GIS Division

300 E. Main Street

P.O. Box 11230

Reno, NV 89528-0827

(775) 328-3768



ATTACHMENT 1

**PHASE 2 STUDY OF FIRE SERVICE LEVEL
ALTERNATIVES**

PHASE 2 TIMELINES

SIERRA FOREST FIRE PROTECTION DISTRICT
PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES

PHASE 2 TIMELINES

- a) August-September Met with Citizen Advisory Boards (CABs) and Volunteer Fire Chiefs (VFCs) to receive input on Phase 1 of the study. Explained Phase 2 and relayed we will return with final Phase 2 report for their input. Gave public at CAB meetings the opportunity to provide input on Phase 1 through September 30th. Gave Volunteer Fire Chiefs through October 15th to provide input on Phase 1 through meetings and survey.
- b) August-December Perform Phase 2 study.
- c) November Update to SFFPD Board of Fire Commissioners and Nevada Division of Forestry (NDF). Received direction to explore Verdi Station cost sharing options with City of Reno providing fire services to remaining SFFPD portion of Verdi and to take top three alternatives back to the CABs, Volunteer Fire Chiefs and public.
- d) January-April Verdi Cost Sharing Alternatives data collection, analysis and agreement to preferred cost sharing alternative.
- e) February Public presentations to CABs and VFCs to get input on Three Preferred Fire Service Alternatives per Board direction.
- f) April Study update and findings to Fire Commissioners and NDF, but no requested decision until public input on final preferred alternative is completed.
- g) May Final public presentations to CABs on the Preferred Fire Service Alternative.
- h) June Board of Fire Commissioners and Nevada Division of Forestry to make final decision on service level alternatives.

ATTACHMENT 2

SUMMARY OF AGREED UPON

CALL VOLUME DATA

**Sierra Forest Fire Protection District
From 1/1/2003 to 12/31/2003**

**Calendar Year 2003
District 5-Verdi
Incident Type Response Summary - Entity Responded To**

Entity	Incident Type Response Summary - Entity Responded To							Percentage of Total				
	Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/Rescue	Other	Total	Percentage of Total
SFFPD	15	3	71	1	5	0	0	0	0	7	102	29%
SFFPD in Reno Sphere of Infl.	9	3	27	0	32	0	0	0	0	5	76	21%
City of Reno-City Limits	6	5	128	2	2	0	0	0	0	1	144	41%
CDF-Sierra County	2	0	3	0	2	0	0	0	0	0	7	2%
CDF-Truckee Canyon	5	0	8	0	11	0	0	0	0	0	24	7%
US Forest Service	0	0	0	0	0	0	0	0	0	0	0	0%
Total	37	11	237	3	52	0	0	0	0	13	353	100%
Percentage of Total Calls	10%	3%	67%	1%	15%	0%	0%	0%	0%	4%	100%	

**Sierra Forest Fire Protection District
Incident Type Response Summary by District-ALL CALLS
From 1/1/2002 to 12/31/2002**

District	Station Calls-Percentage of Total										Station Calls-Percentage of Total		
	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/Rescue	Other	Total	Station Calls-Percentage of Total
District 2-Cold Springs	2	1	4	17	0	3	2	2	1	0	0	32	3%
District 3-Peavine	3	1	6	20	2	2	3	1	1	0	2	41	4%
District 5-Verdi	7	37	28	277	6	82	8	4	10	1	0	460	43%
District 8-Galena	22	12	14	179	7	89	14	15	34	1	13	400	37%
District 10-Washoe Valley	4	11	10	38	1	55	4	2	10	2	3	140	13%
Total	38	62	62	531	16	231	31	24	56	4	18	1073	100%
Percentage of Total Calls	4%	6%	6%	49%	1%	22%	3%	2%	5%	0%	2%	100%	

Sierra Forest Fire Protection District
Incident Type Response Summary by District-SFFPD CALLS TO SFFPD ONLY (Includes calls to Reno Area of Sphere of Influence)
From 1/1/2002 to 12/31/2002

District	Station Calls-Percentage of Total											
	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/Rescue	Other	Total
District 2-Cold Springs	2	1	2	16	0	2	2	1	1	0	0	27
District 3-Peavine	2	1	1	20	2	1	2	1	1	0	0	31
District 5-Verdi	6	22	8	74	3	46	3	3	8	1	0	174
District 8-Galena	17	12	6	168	6	86	14	14	34	0	11	368
District 10-Washoe Valley	2	2	6	15	0	15	2	2	4	0	3	51
Total	29	38	23	293	11	150	23	21	48	1	14	651
Percentage of Total Calls	4%	6%	4%	45%	2%	23%	4%	3%	7%	0%	2%	100%

Sierra Forest Fire Protection District
 Incident Type Response Summary by District-SFFPD CALL RESPONSE TO TMFPD ONLY
 From 1/1/2002 to 12/31/2002

District	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/Rescue	Other	Total	Station Calls-Percentage of Total
District 2-Cold Springs	0	0	0	0	0	0	0	0	0	0	0	0	0%
District 3-Peavine	1	0	3	0	0	1	0	0	0	0	0	5	4%
District 5-Verdi	0	0	0	0	0	0	0	0	0	0	0	0	0%
District 8-Galena	3	0	1	11	0	3	0	0	0	0	1	19	17%
District 10-Washoe Valley	2	9	4	23	1	40	2	0	6	2	0	89	79%
Total	6	9	8	34	1	44	2	0	6	2	1	113	100%
Percentage of Total Calls	5%	8%	7%	30%	1%	39%	2%	0%	5%	2%	1%	100%	

**Sierra Forest Fire Protection District
Incident Type Response Summary by District-SFFPD CALL RESPONSE TO CITY OF RENO ONLY (Does not include SOI calls)**
From 1/1/2002 to 12/31/2002

District	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/ Rescue	Other	Total	Station Calls- Percentage of Total
District 2-Cold Springs	0	0	0	0	0	0	0	0	0	0	0	0	0%
District 3-Peavine	0	0	1	0	0	0	1	0	0	0	0	2	1%
District 5-Verdi	1	12	1	195	3	12	4	0	2	0	0	230	99%
District 8-Galena	0	0	0	0	0	0	0	0	0	0	0	0	0%
District 10-Washoe Valley	0	0	0	0	0	0	0	0	0	0	0	0	0%
Total	1	12	2	195	3	12	5	0	2	0	0	232	100%
Percentage of Total Calls	0%	5%	1%	84%	1%	5%	2%	0%	1%	0%	0%	100%	

Calendar Year 2002
District 2-Cold Springs
Incident Type Response Summary - Entity Responded To

Entity	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/ Rescue	Other	Total	Percentage of Total
SFFPD	2	1	2	16	0	2	2	1	1	0	0	27	84%
TMFPD	0	0	0	0	0	0	0	0	0	0	0	0	0%
Calif. Division of Forestry	0	0	0	1	0	1	0	1	0	0	0	3	9%
US Forest Service	0	0	2	0	0	0	0	0	0	0	0	2	6%
Total	2	1	4	17	0	3	2	2	1	0	0	32	100%
Percentage of Total Calls		6%	3%	13%	53%	0%	9%	6%	6%	3%	0%	0%	100%

Calendar Year 2002
 District 3-Peavine
 Incident Type Response Summary - Entity Responded To

Entity	Incident Type							Entity Responded To				Percentage of Total
	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/ Rescue	Other	
SFFPD	2	1	1	20	2	1	2	1	1	0	0	76%
TMFPD	1	0	3	0	0	0	0	0	0	0	0	12%
City of Reno	0	0	1	0	0	0	1	0	0	0	0	5%
US Forest Service	0	0	1	0	0	0	0	0	0	0	2	7%
Total	3	1	6	20	2	2	3	1	1	0	2	100%
Percentage of Total Calls	7%	2%	15%	49%	5%	5%	7%	2%	2%	0%	5%	100%

Calendar Year 2002
District 5-Verdi
Incident Type Response Summary - Entity Responded To

Entity	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/ Rescue	Other	Total	Percentage of Total
SFFPD	6	14	7	48	3	19	3	0	4	1	0	105	23%
SFFPD In Reno Sphere of Inf.	0	8	1	26	0	27	0	3	4	0	0	69	15%
City of Reno-City Limits	1	12	1	195	3	12	4	0	2	0	0	230	50%
CDF-Sierra County	0	1	7	6	0	1	0	0	0	0	0	15	3%
CDF-Truckee Canyon	0	2	6	2	0	23	1	1	0	0	0	35	8%
US Forest Service	0	0	6	0	0	0	0	0	0	0	0	6	1%
Total	7	37	28	277	6	82	8	4	10	1	0	460	100%
Percentage of Total Calls	2%	8%	6%	60%	1%	18%	2%	1%	2%	0%	0%	100%	

Calendar Year 2002
 District 8-Galena
 Incident Type Response Summary - Entity Responded To

Entity	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/ Rescue	Other	Total	Percentage of Total
SFFPD	17	12	6	168	6	86	14	14	34	0	11	368	92%
TMFPD	3	0	1	11	0	3	0	0	0	0	1	19	5%
Washoe Co. Sheriffs Office	0	0	0	0	0	0	0	0	0	1	0	1	0%
Storey County Fire Department	2	0	0	0	0	0	0	0	0	0	0	2	1%
NLTFPD	0	0	0	0	1	0	0	0	0	0	1	2	1%
BLM	0	0	1	0	0	0	0	0	0	0	0	1	0%
US Forest Service	0	0	6	0	0	0	0	1	0	0	0	7	1%
Total	22	12	14	179	7	89	14	15	34	1	13	400	100%
Percentage of Total Calls	6%	3%	3%	45%	2%	22%	3%	4%	9%	0%	3%	100%	

Calendar Year 2002
District 10 - Washoe Valley
Incident Type Response Summary - Entity Responded To

Entity	Structure Fire	Vehicle Fire	Wildland Fire	Medical	Hazmat	Vehicle Accident	Public Assistance	Law Enforcement	Act Fire Alarm	Search/Rescue	Other	Total	Percentage of Total
SFFPD-District 10 Washoe	2	2	6	15	0	15	2	2	4	0	3	51	36%
Truckee Meadows Fire	2	9	4	23	1	40	2	0	6	2	0	89	64%
Total Calls	4	11	10	38	1	55	4	2	10	2	3	140	100%
Percentage of Total Calls	3%	8%	7%	27%	1%	39%	3%	1%	7%	1%	2%	100%	

**SIERRA FOREST FIRE PROTECTION DISTRICT
STUDY OF RESPONSE**

Calculation of Service/Fiscal Equity Amongst Fire Agencies by Call Volume and Level of Response in Calendar Year 2002 Assuming Verdi Annexation as of January 1, 2002 for Future Comparison Purposes.

1) City of Reno-Sierra Forest Fire Protection District:

a) Call Volume:

	Fire	EMS	Other	Total
SFFPD Call Response To Reno	15	207	10	232
Reno Call Response To SFFPD	4	3	5	12
Net SFFPD Response to Reno	11	204	5	220

b) Level of Response-Number of Engines/Units:

	Fire	EMS	Other	Total
SFFPD Unit Response To Reno	15	207	10	232
Reno Unit Response To SFFPD	15	3	5	23
Net SFFPD Unit Response to Reno	0	204	5	209

Conclusion: The SFFPD response to the City of Reno, calculated by call volume is greater than the corresponding response from the City to SFFPD by 220 calls. The SFFPD response to the City of Reno calculated by the Level of Response is greater than the corresponding response from the City to SFFPD by 209 units.

2) Truckee Meadows Fire Protection District-Sierra Forest Fire Protection District:

a) Call Volume:

	Fire	EMS	Other	Total
SFFPD Call Response To TMFPD	23	78	12	113
TMFPD Call Response To SFFPD	21	57	16	94
Net SFFPD Call Response To TMFPD	2	21	(4)	19

b) Level of Response-Number of Engines/Units:

	Fire	EMS	Other	Total
SFFPD Unit Response To TMFPD	23	78	12	113
TMFPD Unit Response To SFFPD	88	57	16	161
Net TMFPD Unit Response To SFFPD	(65)	21	(4)	(48)

Conclusion: The SFFPD response to the TMFPD, calculated by call volume is greater than the corresponding response from the TMFPD to SFFPD by 19 calls. Due to the number of engines responding to fires, in the Level of Response calculation, the TMFPD provides 48 more number of units than SFFPD provides to the TMFPD.

3) Combined City of Reno and Truckee Meadows Fire Protection District in Comparison to Sierra Forest Fire Protection District:

a) Call Volume:

	Fire	EMS	Other	Total
SFFPD Call Response To City/TMFPD	38	285	22	345
City/TMFPD Call Response To SFFPD	25	60	21	106
Net SFFPD Call Response To City/TMFPD	13	225	1	239

b) Level of Response-Number of Engines/Units:

	Fire	EMS	Other	Total
SFFPD Unit Response To City/TMFPD	38	285	22	345
City/TMFPD Unit Response To SFFPD	103	60	21	184
Net SFFPD Unit Response To City/TMFPD	(65)	225	1	161

Conclusion: The SFFPD response to the combined City of Reno and TMFPD Fire Department, calculated by call volume is greater than the corresponding response from the City/TMFPD to SFFPD by 239 calls. The SFFPD response to the combined City of Reno and TMFPD Fire Department calculated by the Level of Response is greater than the corresponding response from the combined City/TM to SFFPD by 161 vehicles.

ATTACHMENT 3

PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES

VERDI STATION 5 COST SHARING ALTERNATIVES

Sierra Forest Fire Protection District
Verdi Station 5 Cost Sharing Alternatives
FY 04-05

Alternative 1: Tax Collection Method

Definition: This method proposes to pay the City of Reno the amount of revenue generated in the District's area of Verdi for the City's assumption of the EMS and structural fire service in that area.

Revenue Source	District-Wide Collection	Verdi Portion Before Verdi SOI Annexation	Verdi Portion After Verdi SOI Annexation
1) Property Taxes (15% before SOI Annexation; 13.66% after SOI Annexation)	3,407,066	511,060	465,405
2) AB 104	344,771		
3) Consolidated Taxes	<u>1,305,664</u>		
Total Amount of AB 104 and C-Tax	1,650,435		
Verdi Portion-% of Total District AV		15.00%	13.66%
Verdi Portion of AB 104 and C-Tax	247,565		225,449
<i>Less: Verdi Portion of Wildland Fire Service @ % of \$541,285 NDF proposal (based on revenue generated in Verdi)</i>	<u>(81,193)</u>	<u>(73,940)</u>	
Amount of District's Portion of Station 5 Costs for EMS/Structure Fire-Tax Collection	677,432	616,915	
Amount of Reno's Portion of Station 5 Costs for EMS/Structure Fire-Tax Collection	<u>839,800</u>	<u>900,317</u>	
Total Estimated Cost of Station	1,517,232	1,517,232	

Alternative 2: Station 5 Call Volume Method Using Calendar Year 2003 Call Volume

Definition: This method proposes to pay the City of Reno the District's cost of the Verdi Station 5 based upon the proportionate share of the call volume for EMS and Structural Fires for District calls and California calls. The cost of wildland fire calls remain with the District.

Cost of Verdi Station 5 (12 personnel and services and supplies) 1,517,232

SFFPD Station 5 Call Volume to District and California (EMS/Structure Fire) 203

SFFPD Total Station 5 Call Volume (EMS/Structure Fire) 347

Percentage of SFFPD calls at Station 5 for EMS and Structure Fire 58.50%

Amount of District's Portion of Station 5 Costs for EMS/Structure Fire-Call Volume	887,603
Amount of Reno's Portion of Station 5 Costs for EMS/Structure Fire-Call Volume	629,629
Cost of Verdi Station 5	<hr/>
	1,517,232

Cost Allocation After Verdi SOI Annexed:

SFFPD Station 5 Call Volume to District and Calif after SOI Verdi Annexation (EMS and Structural Fires) 130

SFFPD Total Station 5 Call Volume (EMS/Structure Fire) 350

Percentage of SFFPD calls at Station 5 for EMS and Structure Fire 37.14%

Amount of District's Portion of Station 5 Costs for EMS/Structure Fire-Call Volume	563,543
Amount of Reno's Portion of Station 5 Costs for EMS/Structure Fire-Call Volume	953,689
Cost of Verdi Station 5	<hr/>
	1,517,232

Note: This call volume does not include the future call volume impact from the growth to the Reno area of Verdi, including the 3,000 units planned.

Alternative 3: Assessed Valuation of Area of First Response Method

Definition: This Method proposes to allocate the cost of the Verdi Station 5 based upon the proportionate share of the assessed value of the area of first response at Verdi.

1) Before SOI Annexation:

Sierra Forest Fire Protection District Portion of Verdi	107,181,661	70.43%
City of Reno Portion of Verdi	<u>45,009,780</u>	<u>29.57%</u>
Total Assessed Value in Verdi Area of First Response	152,191,441	100.00%
Cost of Verdi Station 5	1,517,232	

Before SOI Annexation:

SFFPD Proportionate Share of Station 5 based on AV Area of First Response	1,068,519	
City of Reno Proportionate Share of Station 5 based on AV Area of First Response	<u>448,713</u>	
Total Cost of Verdi Station 5	1,517,232	

2) After SOI Annexation:

Sierra Forest Fire Protection District Portion of Verdi	96,162,390	63.19%
City of Reno Portion of Verdi	<u>56,029,051</u>	<u>36.81%</u>
Total Assessed Value in Verdi Area of First Response	152,191,441	100.00%
Cost of Verdi Station 5	1,517,232	

After SOI Annexation:

SFFPD Proportionate Share of Station 5 based on AV Area of First Response	953,665	
City of Reno Proportionate Share of Station 5 based on AV Area of First Response	<u>558,567</u>	
Total Cost of Verdi Station 5	1,517,232	

Alternative 4: 50% Call Volume / 50% Assessed Valuation of Area of First Response Method

Definition: This Method allocates the cost of the Verdi Station 50% based upon the proportionate share of the call volume at Station 5 and 50% based upon the Assessed Value of the Verdi area of first response.

1) Before SOI Annexation:

Cost of Verdi Station 5 (12 personnel and services and supplies)

1,517,232

a) Call Volume

SFFPD Station 5 Call Volume to District and California (EMS/Structure Fire)	203	58.50%
City of Reno Portion of Verdi-Call Volume	144	<u>41.50%</u>
SFFPD Total Station 5 Call Volume (EMS/Structure Fire)	347	100.00%

b) Assessed Value of Area of First Response

Sierra Forest Fire Protection District Portion of Verdi	107,181,661	70.43%
City of Reno Portion of Verdi	45,009,780	<u>29.57%</u>
Total Assessed Value in Verdi Area of First Response	152,191,441	100.00%

50% AV / 50% Call Volume Before Annexation of SOI:

SFFPD

City of Reno

Total Average Percentage

SFFPD Proportionate Share of Station 5 @ 1/2 Call Volume/1/2 AV

City of Reno Proportionate Share of Station 5 @ 1/2 Call Volume/1/2 AV

Total Cost of Station 5

SFFPD	978,061
City of Reno	539,171
Total Cost of Station 5	1,517,232

Alternative 4: 50% Call Volume / 50% Assessed Valuation of Area of First Response Method-Continued

2) After SOI Annexation:

a) Assessed Value:

Sierra Forest Fire Protection District Portion of Verdi	96,162,390	63.19%
City of Reno Portion of Verdi	56,029,051	<u>36.81%</u>
Total Assessed Value in Verdi Area of First Response	152,191,441	100.00%

b) Call Volume:

SFFPD Station 5 Call Volume to District and Calif after SOI Verdi Annexation (EMS and Structural Fires)	130	37.14%
City of Reno Call Volume After SOI Annexation	220	<u>62.86%</u>
SFFPD Total Station 5 Call Volume (EMS/Structure Fire)	350	100.00%

50% AV / 50% Call Volume After Annexation of SOI:

Average Percentage-1/2 Call Volume, 1/2 AV	50.16%	
SFFPD	49.84%	
City of Reno	100.00%	

Total Average Percentage

SFFPD Proportionate Share of Station 5 @ 1/2 Call Volume/1/2 AV	761,104	
City of Reno Proportionate Share of Station 5 @ 1/2 Call Volume/1/2 AV	756,128	
Total Cost of Station 5	1,517,232	

ATTACHMENT 4

PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES

ADVANTAGES AND DISADVANTAGES OF THREE PREFERRED ALTERNATIVES

SIERRA FOREST FIRE PROTECTION DISTRICT
PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES
ADVANTAGES AND DISADVANTAGES OF THE
THREE PREFERRED ALTERNATIVES

Three alternatives of the original 12 alternatives delineated in the Sierra Forest Fire Protection District's Study of Service Level Alternatives have been selected by the Study Team (consisting of fire professionals throughout Washoe County) and the Board of Fire Commissioners. These three alternatives consist of the following: an alternative if the State retained operations of the SFFPD in Washoe County (Alternative 1), an alternative if Washoe County took over operations of the SFFPD (Alternative 5) and an alternative if the SFFPD operations were consolidated with the Truckee Meadows Fire Protection District and City of Reno's Consolidated Fire Department (Alternative 7).

A summary listing and corresponding brief description of the three preferred alternatives for operations of the Sierra Forest Fire Protection District with applicable advantages and disadvantages of each alternative are described below.

Alternative 1: Status Quo Model with Cost Sharing Verdi Station.

This Model assumes the SFFPD will retain its current boundaries, service levels and revenue sources unless annexations into the District occur in accordance with the Regional Planning Settlement Agreement between Washoe County, the City of Reno and City of Sparks. Any portion so annexed will then be excluded from the District and fire services and tax revenues will be transferred to the annexing entity.

Due to the recent East Verdi annexation, planned future annexations in the Sphere of Influence and 3,000 housing unit development in Reno's area of Verdi, this Model assumes the SFFPD will transition out of Verdi Station 5 and cost share the station with the City of Reno who will then take over Verdi Station operations and employees for structural fire and EMS services. The District would retain wildland fire services. For modeling purposes only, this Alternative assumes the amount SFFPD would pay to the City of Reno to take over operations of Station 5 would be equal to the amount of tax revenues generated within the Verdi area for the services assumed, however, this may or may not be the final methodology used to allocation Station 5 costs. Except for Verdi Station 5, SFFPD would continue to operate all other currently staffed volunteer and professional fire stations in the District. SFFPD shall station one seasonal wildland fire crew in the Verdi District area.

Advantages:

- 1) Eliminates the financial and service level inequities between the entities through cost sharing the Verdi Station with the City of Reno.
- 2) Adds an NDF seasonal wildland fire crew stationed in Verdi.
- 3) Retains the State of Nevada's Emergency Funds for wildland fires.
- 4) Potential for a tax rate decrease.

Disadvantages:

- 1) Retains the current administrative inefficiencies of a bifurcated state-county administrative system.
- 2) A declining level of District fire service is anticipated under this Model. Due to the decline in depth of resources at the Sierra Forest Fire Protection District and Nevada Division of Forestry in Douglas County, Storey County and Verdi Station 5, the only remaining two SFFPD fully manned stations in the Western Nevada region would be Galena Station 8 and Washoe Valley Station 10. Therefore, more pressure will be placed on the Galena and Washoe Valley stations to support statewide firefighting efforts instead of the former six stations which were available in the Western Nevada region previously.
- 3) District continues to be subject to loss of tax revenue due to City annexations.

Other Considerations of Alternative 1: While this Alternative would retain the lower State employee costs, it does not address the current county-state employee wage disparities.

Alternative 5: Conversion to an NRS 474 County Fire Protection District with SFFPD Retaining Wildland Fire Service Model and Cost Sharing Verdi Station.

This Model converts the State operated NRS 473 SFFPD into a new County controlled and operated NRS 474 County Fire Protection District, however, only for emergency medical and structural fire protection services. Under this Model, the NRS 473 SFFPD would be retained for the purpose of providing wildland fire service. This Model assumes a cost sharing of the Verdi Station 5 with the City of Reno taking over operations of Station 5 for emergency medical and structural fire protection services due to the City's annexation and future growth in the Verdi area.

Advantages:

- 1) Eliminates the financial and service level inequities between the entities through cost sharing the Verdi Station with the City of Reno.
- 2) Retains State of Nevada's Emergency Funds for wildland fires.
- 3) Mitigates some of the current administrative inefficiencies of a bifurcated state-county administrative system.
- 4) Increases local accountability.
- 5) Does not require the opening of existing employee contracts, however, new contracts would have to be developed.
- 6) Adds a 15 member seasonal wildland fire crew.

Disadvantages:

- 1) Requires contracts for ownership or use of fire stations and some equipment.
- 2) Requires legislation to allow 474 District to take over 473 District without petition of property owners.
- 3) Requires another duplicate level of administration and support to operate the 474 District.
- 4) District continues to be subject to loss of tax revenue due to City annexations.

Considerations of Alternative 5: While this Alternative would begin to address the current county-state employee wage disparities, it would increase the employee costs. However, the employee costs would be limited to the 474 District's ability to pay.

Alternative 7: Contract for Service Between the Sierra Forest Fire Protection District and Truckee Meadows Fire Protection District with SFFPD Retaining Wildland Fire Service and Cost Sharing Verdi Station Model.

This Model assumes a contract for service between the SFFPD and the TMFPD, however, only for emergency medical and structural fire protection services. Under this Model, the NRS 473 SFFPD would be retained for the purpose of providing wildland fire service. EMS and structural fire protection services would be provided through the current Reno-TMFPD contract for services. This Model assumes the cost sharing of Verdi Station 5 with the City of Reno operating Station 5 and the District adding seasonal wildland fire crews.

Advantages:

- 1) Combines the operations of EMS and structural fire services of two smaller entities into one larger entity which pools the risks and provides for larger combined fund balances and contingency funds to pay for the costs of providing fire services.
- 2) Most financially sound option of the six options which retain State emergency funds for wildland fire suppression.
- 3) Eliminates the financial and service level inequities between the entities through the sharing of the cost of the Verdi fire station between the City of Reno and SFFPD. This cost sharing will save the taxpayers of both entities several hundreds of thousands of dollars of operational costs each year. For example, it is anticipated SFFPD would pay approximately 50% of the cost of the Verdi station after the City of Reno annexation of the Verdi area of the Sphere of Influence. Using FY 2005 costs, this will save the District approximately \$340,000 in one year alone. As the City of Reno grows in the Verdi area, the District's share of the costs will decline reflecting additional future savings for the District. Conversely, without this agreement, the City of Reno would have to fully pay for one Reno station in Verdi, instead of sharing the costs of the station with the District. With this agreement, the City of Reno would save the amount of funding the District would pay for the station which would equate to approximately \$760,000 per year after annexation of the Verdi area of the Sphere of Influence based upon Reno's call volume and assessed value of area of service.
- 4) Increases the level of EMS and structural fire service through consolidation of already existing fire department operations by decreasing response times through dispatch efficiencies and reduction of duplication of resources on incidents. For example, Truckee Meadows Fire District experienced a 27% decrease in response times due to the consolidation with the Reno Fire Department.
- 5) Retains the State of Nevada's Emergency Funds for wildland fires.
- 6) State retains responsibility of wildland fire service on State and private lands.
- 7) City of Reno annexation neutral for services and funding. If City annexations occur within the District, there would be no change in fire service providers or decrease in

funding through the use of the TMFPD-Reno contract for services which would hold both Districts harmless for the loss of tax revenues when City annexations occur.

- 8) Further the Board of County Commissioner's goals of regional consolidation of local government services.
- 9) Increases the number of seasonal wildland fire crews.
- 10) Streamlines the current administrative inefficiencies of a bifurcated state-county administrative system.
- 11) Does not add another layer of local government administration.
- 12) Increases local accountability.
- 13) Increases the levels of fire service while not increasing the taxes to the public.

Disadvantages:

- 1) Requires contracts for ownership or use of fire stations and some equipment.
- 2) Requires initial years' contribution by the TMFPD until the SFFPD assessed valuation grows and additional decreases in the cost of the Verdi station are realized through the City growth in Verdi. The first years' contribution by the TMFPD may approach \$550,000, however, even with the contribution, the TMFPD will still maintain its financial soundness. It should also be recognized the TMFPD's level of service will increase through the implementation of Alternative 7 due to an increased depth of resources and streamlined dispatch process which will provide quicker response times in the SFFPD and TMFPD.
- 3) Requires legislation to implement the future annexation of 473 properties into a 474 District.

Other Considerations of Alternative 7: While this Alternative would address the current county-state employee wage disparities, it would increase the employee costs.

ATTACHMENT 5

PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES

ALTERNATIVE 7 FINANCIAL AND OPERATIONAL ANALYSIS

ALTERNATIVE 7:
CONTRACT FOR SERVICE BETWEEN THE
SIERRA FOREST FIRE PROTECTION DISTRICT
AND TRUCKEE MEADOWS FIRE PROTECTION DISTRICT MODEL
WITH WILDLAND FIRE SERVICE BEING RETAINED BY
SIERRA FOREST FIRE PROTECTION DISTRICT

1) Contract for Service Between the Sierra Forest Fire Protection District (SFFPD) and Truckee Meadows Fire Protection District (TMFPD) With SFFPD Retaining Wildland Fire Service Model-Background.

This Model anticipates going back to the original intent of the establishment of the Sierra Forest Fire Protection District which was to provide watershed and wildland fire protection along the wildland urban interface of the Western Sierras. Since the District's establishment, the area within the District's boundaries became more populated and urbanized requiring a greater level of service than originally intended. To meet this demand, the District's level of service evolved from a wildland fire and watershed protection service to include emergency medical and structural fire suppression services.

While this Model includes retaining wildland fire service with SFFPD, the emergency medical and structural fire prevention and suppression services would be transferred to TMFPD through a contract for service. A similar model has been implemented with local fire departments in Douglas County and Storey County.

It is important to note that according to the Interlocal Agreement for Fire Service and Consolidation between the City of Reno and Truckee Meadows Fire Protection District, the City provides the fire services to the TMFPD. Therefore, if the TMFPD were to contract to provide services to the SFFPD, the SFFPD would be serviced by the City of Reno/TMFPD Consolidated Fire Department for emergency medical and structural fire suppression services.

In regards to the financing model specified in the Reno-TMFPD Interlocal Agreement, it is based upon the proportionate share of the Adopted Consolidated Budget "adjusted to new fire stations, engine or truck companies and annexations." Therefore, if TMFPD were to contract with the SFFPD, the budget required to fund the SFFPD would be consolidated into the Reno/TMFPD Consolidated Budget per the Interlocal Agreement. Due to the comprehensive nature of the current City of Reno/TMFPD Interlocal Agreement, it does not appear any material adjustment to the Interlocal Agreement need to be made if TMFPD contracts with the SFFPD to provide EMS and structural fire services.

This Model assumes the sharing of costs of the Verdi fire station between the City of Reno and SFFPD in proportion to each entity's call volume and assessed value of the first area of response in Verdi. It also assumes the District adding seasonal wildland fire crews. Under this Alternative, the overall volunteer program will not change since the

current contracts with the volunteers will remain in effect and will be honored by the City of Reno, however, adjustments to current VFD operations and administration may be necessary due to the differences in operations of the respective host agencies.

While the contract for service is being proposed for the immediate future, it is recommended the long-term permanent merging of the two districts be accomplished through the TMFPD annexation of the SFFPD-Washoe County portion for structural fire and EMS services. Because the consolidation of two local governments also means the merging of the tax rates which, in this case, would increase SFFPD's tax rate while decreasing TMFPD's tax rate, it is recommended an annexation not take place until the TMFPD's tax rate can overtime through the anticipated increased growth in assessed valuation be decreased by its current 47.18 cents to the SFFPD's 42 cents per \$100 of assessed valuation. It is estimated an equalization of the tax rates would take several years. This long-term method of implementation will eliminate the potential increase in tax rates an annexation could cause initially.

It is important to note that a future annexation of SFFPD by the TMFPD would require legislative action to accomplish. By law, there are only two ways for TMFPD to annex portions or all of the SFFPD as follows:

- 1) Property owners petition out of the SFFPD and the State Forester agrees; or
- 2) Through developer agreement prior to development with the State Forester's agreement.

It is the opinion of the Washoe County District Attorney's Office that legislation will be required to implement a future permanent annexation of the Sierra Forest Fire Protection District's EMS and structural fire services and the locally controlled and operated Truckee Meadows Fire Protection District.

2) Fire Service Operations.

a) Wildland Fire Service to be provided by the Sierra Forest Fire Protection District.

Under the proposal submitted by the Nevada Division of Forestry (NDF), the Division of Forestry will be directed to continue to provide wildland fire protection for the Sierra Forest Fire Protection District in Washoe County. The following is a draft proposal and budget submitted by NDF for those services. This draft will be subject to modification based on the needs and desires of the Nevada Division of Forestry and the Board of Fire Commissioners of the Sierra Forest Fire Protection District.

1) Administration.

The wildland fire protection program for the Western Region of the Division of Forestry will continue to be managed by the Fire Management Officer. Under the proposal submitted by the Division of Forestry, the Fire Management Officer will be funded proportionately amongst the counties participating in the program.

2) Shared Positions.

In the delivery of the wildland fire protection program, the Division proposed using several positions that would be funded proportionately by the counties in the District. These positions may include two Battalion Chiefs, three full-time Fire Captains and a Fire Prevention Captain that will provide supervision of seasonals and delivery of fire prevention and fuels management programs.

3) Washoe County Positions.

In addition to the Fire Management Officer, the positions proposed to be funded by Washoe County would include between 8 and 15 seasonal firefighters that will be employed for six to nine months each year, 7 days a week.

4) Volunteers.

In the past, the Nevada Division of Forestry has funded Volunteer Fire Department (VFD) operations with a combination of Fire District and State funds. Under this Alternative, the overall volunteer program will not change since the current contracts with the volunteers will remain in effect and will be honored by the City of Reno/TMFPD, however, adjustments to current VFD operations and administration may be necessary due to the differences in operations of the respective host agencies. Since operations of the VFD will be transferred to the consolidated Reno/TMFPD Fire Department under this Model, funding is included in the Fire Department proposed budget to support VFD operations. There is no change in the volunteer compensation due to the implementation of Alternative 7.

5) Station Locations.

There are several potential locations for the wildland fire service including Galena, Verdi and North Valleys. In addition, the Division of Forestry is exploring the possibility of sharing stations with the United States Forest Service in the future. If these plans move forward, joint fire stations may be implemented.

6) Fire Apparatus.

The current Washoe County asset list contains Type 3 brush trucks that would be retained for use by the NDF seasonal program. Future vehicle needs would be reflected in the annual budgets and long-term capital plans.

7) Dozer Operations.

The Division of Forestry has three dozers available for wildland fire suppression services. Historically, the Division of Forestry has relied on off duty firefighters to staff and operate dozers used on wildland fires. The dozers have been purchased and maintained by the State, not the counties. With the reduction in full-time SFFPD fire staff, the Division will utilize other Division personnel to operate the dozers in the future.

8) Aircraft and Crew Resources.

The Division will continue to provide aircraft and hand crew resources to assist with the fire protection in the District at the State's costs. In addition the State will continue to be

responsible for the cost of wildland fire suppression on non-federal lands within the Sierra Forest Fire Protection District.

9) Other Resources

The Division also provides other value added services which include professional resource planning, resource technical assistance, communications and communication sites, facilities, grant programs and logistical support.

10) State Assessments and Reserve

The assessments in the budget are shown as an estimate. The reserve in the State budget was set at 12.5% of salaries and operating costs and this reserve requirement will remain in the proposed budget.

b) Emergency Medical and Structural Fire Suppression to be Provided by the City of Reno/TMFPD Consolidated Fire Department.

1) Levels of Service:

- a) Levels of service include staffing of 12 professional full-time personnel at the Verdi, Galena and Washoe Valley Stations.
- b) Volunteers and volunteer stations shall be managed by the City of Reno/TMFPD in accordance with the current terms and conditions of the volunteer contracts with SFFPD. Volunteer stations include: Washoe Valley Bellevue Station, Cold Springs, Verdi, Galena, Callahan and Peavine Stations.
- c) There shall be no closure of fire stations in the District.

2) Employees:

Employees shall be transferred from the SFFPD to the City of Reno/TMFPD under the Reno/TMFPD employee contracts. Employees shall receive salaries and benefits commensurate with the Reno/TMFPD contract. In order to accommodate the cost of increasing the salaries and benefits of the SFFPD's employees to the City of Reno/TMFPD's level of salaries and benefits because of the operational consolidation, the cutting of positions may be required. However, no person loses a job or sees a decrease in salaries or benefits from the potential implementation of Alternative 7. There may be a few employees which may have to be transferred to the City of Reno/TMFPD at a different position from what they held at SFFPD, however, the employees would still see a substantial raise in pay and benefits. This is subject to negotiations between the unions, management and governing bodies if the governing bodies determine to proceed with the implementation of Alternative 7.

It is anticipated the contact for service may trigger a reopen of existing employee contracts.

3) Administrative Services:

The City of Reno would provide administrative services to the consolidated fire department and would recoup its costs through an indirect administrative cost allocation.

4) Real Property, Equipment and Rolling Stock:

a) The SFFPD stations are owned either by the State or Volunteer Fire Departments except for the Verdi VFD Station 51 land which is owned by Washoe County. This model assumes the real property ownership shall not change. Insurance shall be provided by the parties owning the property, but shall be paid for by the parties who use the station for fire services. The City of Reno/TMFPD would have to enter into agreements with the State and Volunteer Fire Departments in order to use the stations for fire suppression services.

b) Except for the equipment needed for the wildland fire service, the equipment and rolling stock purchased by the SFFPD Washoe County Division shall be transferred to the TMFPD for the purposes of providing SFFPD EMS and structural fire services. Insurance shall be provided by the TMFPD for those assets transferred.

c) Maintenance of real property, equipment and rolling stock shall be performed by the City of Reno/TMFPD, in accordance with the Interlocal Agreement for Fire Services. For example, even though the SFFPD Bowers Station 10 ownership shall be retained by the State, the City of Reno/TMFPD shall provide for the general operation and maintenance of the station.

d) The purchase of new equipment and rolling stock shall be made by TMFPD through its five year capital improvement program.

5) Dispatch Services.

In the Washoe County area, all initial dispatching for all risk services including the Volunteer Fire Departments will be done through the Regional Communications Center with the exception of SFFPD's seasonal personnel and wildland fire calls which will continue to be dispatched through the Sierra Front Interagency Dispatch Center in Minden.

6) Annexations.

According to law, when a city annexes into a fire district, the city will assume all fire service within its incorporated boundaries. The district's boundaries will be adjusted to exclude the newly annexed areas. The district's property tax revenues will be decreased by the amount of property excluded from the district. The district's consolidated tax and AB 104 revenues shall be adjusted to reflect the exclusion of the assessed value of the area annexed. The city's corresponding property tax, consolidated tax and AB 104 tax revenues shall be increased in order to reflect the annexed portion's assessed value transferred to the city.

However, there is one significant difference between this Model and other Models reviewed. In accordance with Article 11 of the Interlocal Agreement for Fire Services between the City of Reno and TMFPD, "when the City annexes property located in Washoe County the District's portion of the Adopted Consolidated Budget shall be reduced to reflect the total loss of revenue to the District." Therefore, TMFPD is held harmless for any loss in tax revenues when the City of Reno annexes into the TMFPD by a change to its proportionate percentage of the Budget. Under this Model, SFFPD would also be held harmless for any loss in tax revenues when the City of Reno annexes into the District.

7) Finances.

- a) Under this Model, TMFPD would contract with the SFFPD to provide EMS and structural fire services. It is anticipated that the current SFFPD revenues and expenditures, excluding the cost of the wildland fire service, would be transferred to the TMFPD. The SFFPD would retain the funding necessary to fund the level of wildland fire service as determined by NDF and the Washoe County Board of Fire Commissioners. SFFPD fund balances in the amount not to exceed 12.5% shall be retained by the SFFPD, however, the remaining fund balances shall be transferred to the TMFPD to fund future workers' compensation and retiree group medical liabilities.
- b) The newly expanded TMFPD shall pay annually to the Consolidated Reno/TMFPD Fire Department Budget its new percentage proportionate share of the Base Consolidated Budget as determined upon the first year of the consolidated SFFPD-TMFPD operations.
- c) Adjustments shall be made to the percentage proportionate share of the Base Consolidated Budget for new fire stations or annexations. Future projected budgets are subject to TMFPD Board of Fire Commissioners' approval.
- d) District contingency accounts shall be retained by the District, but upon approval of the District may be made available to the consolidated Reno/TMFPD Fire Department for District services.
- e) While the contract for service is being proposed for the immediate future, it is recommended the long-term permanent merging of the two districts be accomplished through the TMFPD annexation of the SFFPD-Washoe County portion for structural fire and EMS services. Because the merging of two local governments also means the merging of the tax rates which would increase SFFPD's tax rate while decreasing TMFPD's tax rate, it is recommended an annexation not take place until the TMFPD's tax rate can overtime through the anticipated increased growth in assessed valuation be decreased from its current 47.18 cents to the SFFPD's 42 cents per \$100 of assessed valuation. It is estimated this will take several years, however, this method of implementation will eliminate the increase in tax rates a TMFPD annexation could cause the SFFPD.

3) Advantages and Disadvantages of Contract for Services Between SFFPD and TMFPD With SFFPD Retaining Wildland Fire Service Model

Advantages:

- 1) Combines the operations of EMS and structural fire services of two smaller entities into one larger entity which pools the risks and provides for larger combined fund balances and contingency funds to pay for the costs of providing fire services.
- 2) Most financially sound option of the six options which retain State emergency funds for wildland fire suppression.
- 3) Eliminates the financial and service level inequities between the entities through the sharing of the cost of the Verdi fire station between the City of Reno and SFFPD. This cost sharing will save the taxpayers of both entities several hundreds of thousands of dollars of operational costs each year. For example, it is anticipated SFFPD would pay approximately 50% of the cost of the Verdi station after the City of Reno annexation of

the Verdi area of the Sphere of Influence. Using FY 2005 costs, this will save the District approximately \$340,000 in one year alone. As the City of Reno grows in the Verdi area, the District's share of the costs will decline reflecting additional future savings for the District. Conversely, without this agreement, the City of Reno would have to fully pay for one Reno station in Verdi, instead of sharing the costs of the station with the District. With this agreement, the City of Reno would save the amount of funding the District would pay for the station which would equate to approximately \$760,000 per year after annexation of the Verdi area of the Sphere of Influence based upon Reno's call volume and assessed value of area of service.

- 4) Increases the level of EMS and structural fire service through consolidation of already existing fire department operations by decreasing response times through dispatch efficiencies and reduction of duplication of resources on incidents. For example, Truckee Meadows Fire District experienced a 27% decrease in response times due to the consolidation with the Reno Fire Department.
- 5) Retains the State of Nevada's Emergency Funds for wildland fires.
- 6) State retains responsibility of wildland fire service on State and private lands.
- 7) City of Reno annexation neutral for services and funding. If City annexations occur within the District, there would be no change in fire service providers or decrease in funding through the use of the TMFPD-Reno contract for services which would hold both Districts harmless for the loss of tax revenues when City annexations occur.
- 8) Further the Board of County Commissioner's goals of regional consolidation of local government services.
- 9) Increases the number of seasonal wildland fire crews.
- 10) Streamlines the current administrative inefficiencies of a bifurcated state-county administrative system.
- 11) Does not add another layer of local government administration.
- 12) Increases local accountability.
- 13) Increases the levels of fire service while not increasing the taxes to the public.

Disadvantages:

- 1) Requires contracts for ownership or use of fire stations and some equipment.
- 2) Requires initial years' contribution by the TMFPD until the SFFPD assessed valuation grows and additional decreases in the cost of the Verdi station are realized through the City growth in Verdi. The first years' contribution by the TMFPD may approach \$550,000, however, even with the contribution, the TMFPD will still maintain its financial soundness. It should also be recognized the TMFPD's level of service will increase through the implementation of Alternative 7 due to an increased depth of resources and streamlined dispatch process which will provide quicker response times in the SFFPD and TMFPD.
- 3) Requires legislation to implement the future annexation of 473 properties into a 474 District.

Other Considerations of Alternative 7: While this Alternative would address the current county-state employee wage disparities, it would increase the employee costs.

4) Financial Impact of Contract for Service Between SFFPD and TMFPD With SFFPD Retaining Wildland Fire Service Model.

The financial impact of the Wildland Fire Service Contract Model is shown on the following pages projected for FY 04-05. The Model assumes Verdi Station 5 is no longer operated by the Sierra Forest Fire Protection District but by the City of Reno. It also assumes the District shall pay to the City its proportionate share of the cost of the Verdi fire station based upon 50% call volume / 50% assessed value of the area of first response in Verdi.

Calculation of Operating Surplus under Contract for Service Between SFFPD and TMFPD with SFFPD Retaining Wildland Fire Service Model:

FY 04-05

Total Revenues	\$ 20,801,399
Less: Total Expenditures	18,670,711
Less: Operating Transfers	1,798,960
Operating Surplus	\$ 331,728

Under this Model, the consolidated ending fund balance in FY 03-04 increases from \$7,836,353 to \$8,168,081 in FY 04-05. The financial impact of the TMFPD Annexation of SFFPD Model is shown on the following page.

**SIERRA FOREST FIRE PROTECTION DISTRICT
FINANCIAL IMPACT OF CONTRACT FOR SERVICE BETWEEN THE SFFPD
AND THE TMFPD MODEL
WITH SFFPD PROVIDING WILDLAND FIRE SERVICE**

	SFFPD	SFFPD	TMFPD	TMFPD	Total	Total
	FY 03-04	FY 04-05	FY 03-04	FY 04-05	FY 03-04	FY 04-05
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Revenues:						
Ad Valorem	3,381,545	3,407,066	8,477,595	9,097,974	11,859,140	12,505,040
Ad Valorem-AB 104	47,480	48,099	129,035	142,201	176,515	190,300
CTX	1,278,898	1,305,664	5,263,848	5,465,125	6,542,746	6,770,789
AB 104:					-	-
Gaming Fees	14,476	12,471	39,340	36,870	53,816	49,341
RPTT	17,828	17,919	48,452	52,978	66,280	70,897
Government Services Tax	60,954	29,142	165,472	86,157	226,426	115,299
SCCRT	239,355	237,140	650,490	701,093	889,845	938,233
Fire Reimbursements/Misc	40,000	40,000	424,461	26,000	464,461	66,000
Interest	500	500	95,000	95,000	95,500	95,500
Total Revenues	5,081,036	5,098,001	15,293,693	15,703,398	20,374,729	20,801,399
Beginning Fund Bal-State/County	2,747,710	2,730,642	4,431,806	5,105,711	7,179,516	7,836,353
Total Resources	7,828,746	7,828,643	19,725,499	20,809,109	27,554,245	28,637,752
Expenditures:						
SFFPD Wildland Fire Service	-	600,000	-	-	-	600,000
Salaries and Wages	2,633,832	2,031,699	-	-	2,633,832	2,031,699
Benefits	1,055,955	975,711	30,000	40,000	1,085,955	1,015,711
Services and Supplies	538,543	471,183	12,402,578	12,742,982	12,941,121	13,214,165
Capital Outlay	661,559	210,000	-	-	661,559	210,000
Verdi Contract	-	857,995	-	-	-	857,995
Administrative Assessments	208,215	152,374	-	-	208,215	152,374
Dispatch	-	68,831	-	-	-	68,831
Equipment Maintenance	-	97,686	-	-	-	97,686
Volunteer Payments	-	47,250	-	-	-	47,250
Insurance	-	75,000	-	-	-	75,000
Contingency	-	50,000	-	250,000	-	300,000
Total Expenditures	5,098,104	5,637,729	12,432,578	13,032,982	17,530,682	18,670,711
Operating Transfers Out:	-	-	2,187,210	1,798,960	2,187,210	1,798,960
Ending Fund Balance	2,730,642	2,190,914	5,105,711	5,977,167	7,836,353	8,168,081
Total Commitments/Fund Balance	7,828,746	7,828,643	19,725,499	20,809,109	27,554,245	28,637,752

ATTACHMENT 6

PHASE 2 STUDY OF FIRE SERVICE LEVEL ALTERNATIVES

ANALYSIS OF DISTRICT REAL PROPERTY ASSESSED VALUATION

Sierra Forest Fire Protection District
Analysis of Real Property Assessed Valuation
Fiscal Year 2003-2004

Area	Assessed Value No SOI	Assessed Value SOI	Assessed Value Total	Percent of Total
1) Cold Springs	13,859,943	2,471,897	16,331,840	2.28%
2) Verdi	96,162,390	11,019,271	107,181,661	14.99%
3) Galena	544,863,248	9,501,393	554,364,641	77.53%
4) Washoe Valley	<u>36,962,871</u>	<u>165,187</u>	<u>37,128,058</u>	<u>5.19%</u>
Total	691,848,452	23,157,748	715,006,200	100.00%
Percentage	96.76%	3.24%	100.00%	

Source: Washoe County Assessor's Office

Note: The Assessed Valuation listed above only includes real property assessed value and does not include centrally assessed or personal property assessed value.

