

Open Work Session

Presentation on the Evaluation of the Fire Service System Fees and Strategic Plan Proposal January 19, 2016

Mr. Wayne Strausburg, Director of Administration, and Dr. Harold C. Cohen with TriData LLC came before Council. Mr. Strausburg said TriData has undertaken over 250 studies for local city and county fire departments over the past 33 years, that TriData has done over 50 after action reports of major incidents, including Virginia Tech shootings, Hurricane Isabel, and the "anthrax" attack on the Pentagon mail room, Aurora, CO theater shooting, and Boston marathon bombing. Continuing, Mr. Strausburg said Dr. Cohen is a Senior Program Manager for TriData; he has over 30 years of fire service experience, 22 of which were with a Maryland combination county fire department where he reached the rank of division chief. Mr. Strausburg said he and Dr. Cohen will meet with the City Council that afternoon, that the Mayor and his administration are in full support of the analysis, being willing to pay 50 percent of the costs. Mr. Kilmer asked if the Council has to approve the agreement, or is that something the Executive is handling, to which Mr. Strausburg said the presentation is informational for the Council's benefit for informational purposes and to inform the public. Funding for the project is available in the Executive's budget. Dr. Cohen said the project team members are Mr. Davis Simms, Mr. Doug Helfman, CPA, Chief Michael Iacona, who is a Salisbury University graduate, and he will be the project manager. Dr. Cohen then went over a few key aspects as to what needs to happen and what should be looked at. (1) Wicomico County and the City of Salisbury are equal entities for the project. (2) Equitable reimbursement from Wicomico County to the City of Salisbury for their services. (3) A strong volunteer fire and EMS presence in Wicomico County. (4) The current and future provisions of high quality EMS to the citizens. (5) Going beyond the County/City Fire Service Agreement. Dr. Cohen continued, he said there are three phases. In his communications with the City, it appears the focus is on going forward with Phase I of the agreement. Phase I is looking at the current services and financial analysis, looking at fire and EMS from a social aspect, technological aspects, as well as education, economics and political aspects, both within and externally to both the City of Salisbury and the County. Dr. Cohen said he understands that Salisbury has much of their data, but he also understands that any time anyone gives you data, it has to be critically looked at no matter where it is from. He said an old saying is trust but verify. He said even sophisticated data will be reviewed for accuracy and to make sure it is the best representation of the true picture of Fire and EMS. Another factor will be a determination of the organizational status of Wicomico County Volunteer Agencies, both as a whole and individually. The next step, Phase II, is talking about the future and the possibilities, such as consolidation, automatic aid, or cooperative agreements. Dr. Cohen continued, he said Phase III is optional, which is reaching a consensus and implementing whatever agreements are made. He then went over the proposed costs. He said they can be done in phases depending on what both parties agree to. Mr. Cannon asked Dr. Cohen what distinguishes your organization from the statistics that are available nationwide as far as fire service and the cost of fire service, to which Dr. Cohen said anyone can get a hold of those statistics, but interpreting the data is where the talent comes in. Besides having the experience and education, all of their senior consultants are former fire chiefs, putting all that together allows them to interpret the data. If you were to download all of the national fire databases or all of the national EMS databases, it is very raw data. It will not

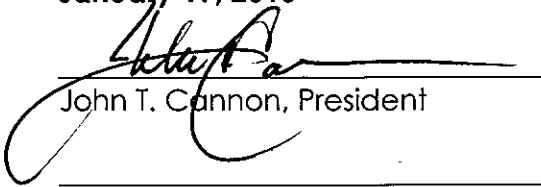
allow you to ask the questions you need to ask, it will not allow you to eliminate data, unless you know what that is, unless you understand response intervals and what they really mean, unless you understand what the quality assurance models are. Dr. Cohen said you can measure anything using the databases, but the question is, are you measuring the right things. Downstream are they going to tell you what will happen in the future or what will likely be the future for your organization. Dr. Cohen said this is where TriData is one step ahead of the other organizations. Not only do we know how to get the data, manipulate it and crunch numbers, but we also understand the qualitative aspects of the data and what it means and how it can be used to implement changes that will, to the best of their ability, allow the citizens of Wicomico County to get what they paid for. Mr. Joe Holloway explained that the County has a situation that is different than the City of the Salisbury. The City of Salisbury has paid fire departments, but the County has volunteer fire departments. He explained that the volunteer fire departments have two methods of funding (1) money they raise through their volunteer fire departments through fund raising efforts (2) money the County gives them. Mr. Joe Holloway asked do you have any resistance from the volunteer fire departments to give you information on their fund raising figures. Dr. Cohen responded, frankly, yes, they do. He said it is not just the volunteer service. Career services are sometimes just as reserved in getting the data. The key is establishing a communications pattern ahead of time, which is why they do that on their triage visit, before they just make a phone call and say please send us your data. They try to explain what they are trying to do and how the data is being used. Dr. Cohen said the final report will not be a surprise, even if people do not like what the report has to say. Dr. Cohen said they communicate with people ahead of time, and they are upfront with people. They will provide a data driven analysis, but also understanding the qualitative and social aspects of the service, which includes the importance and history of volunteerism. He understands the County's commitment to volunteer services and EMS. Mr. Cannon said the total project cost will be about \$60,000, which is \$30,000 from each the City and County asking what guarantee do we have that once the study is done the County and City will come to an agreement on how to move forward. Mr. Strausburg said he cannot make any guarantees in that regard. He certainly cannot speak for the City. He said what they will have after Phase I is done is an objective analysis done by an expert third party, which is something they have not had before. He said if they are going to have a viable discussion, as it relates to the City and County, the paid service and volunteer service, you have to start with a rational dataset. He hopes to derive that from the study. He said in the discussions he has had with Dr. Cohen and the folks at TriData, he thinks they have the experience, their reputation and expertise will render a good, solid, factual foundation, and then we can begin to discuss what type of agreement the City and County would be comfortable entering into. Mr. Strausburg said he cannot guarantee anything other than he thinks we will arrive at a good dataset. Mr. Joe Holloway explained that the City of Salisbury will be able to give them their data, but the County really has no control over the volunteer fire companies. Mr. Joe Holloway then asked Dr. Cohen if he looks at the fund raising part of it, to which Dr. Cohen said they will when they get into the financial part of it. Mr. Joe Holloway then asked what do you do when they say they are not going to give you that information, which he hopes does not happen. Mr. Strausburg responded, he hopes that does not happen either. Set aside whether or not the volunteer fire companies provide us with the financial data, we will have an objective look at the call responses throughout the County by people who analyze this type of data all the time, who also know what the

reasonable costs are associated with those calls, response times, and who is best to respond. From that information, we begin to arrive at what is a fair proportionate of costs of providing the public with fire and EMS service. Mr. Strausburg said we hope to arrive at a good dataset that we can then enter the next phase on how do we make it viable in the long term because that is critical for our citizens. We have to find a way to make fire service and EMS service in the County viable. Mr. Strausburg said as Dr. Cohen mentioned earlier, trust but then verify. We are starting with a data analysis that is being done by a company that has a lot of expertise and has no ax to grind. We are hopeful that will render a good dataset, which then forms the foundation for further discussion. Mr. Cannon said he is glad Dr. Cohen is here today as in the beginning there was discussion that a study should be done by a local accounting firm, which he thought was not the best decision as you need to have someone that is familiar with the profession and he thinks TriData fits their needs perfectly. Mr. Cannon said the City and County had studies done on the tax differential, but the report was pushed aside, which concerns him. Dr. Cohen responded, they have experience with fire service, EMS and communications. They will not only just give you the numbers, but explain what they mean and what the future holds. In addition, they will explain not only what will happen if you follow the report, they will also share what will happen if you do not follow the report. He said technology is making things easier as the communications center will have a map and a person will be able to look at the map and see all the fire and EMS stations, and it will be difficult to explain why the closest fire/EMS station is not responding to their house. He said complexities come in when you look at how do you value the system and service. While lines may become blurred for good reasons or not so good reasons, the hard part is coming up with a formula to figure out, we are going to respond to the citizens, we are going to do the right thing, but we also are going have to say those are controlled by City finances and those are controlled by County finances. Dr. Cohen said he thinks the citizens are going to say, you two need to figure that out. The citizens are going to say as they are looking at the map, that fire/EMS station is closest to my house, so you guys need to figure this out. Dr. Cohen said there are models to do that and that is where he thinks TriData will be able to help. Mr. Cannon said that is not the issue, we do not have problems with the logistics of fire service delivery. Mr. Strausburg said in the various discussions, there are differences of opinion as to responses, the need for responses, and the type of equipment that should be located at each of the stations. To the County it may seem cut and dry, but it is not. The decisions that are made in response to the study is in the hands of the two respective councils and the two respective executives. Mr. Cannon stated if the report comes to the Council, as there is a report out there now that never came to Council. Mr. Strausburg said that report was not paid for. Mr. Cannon said he understands the report was not paid for, but that was not Council's decision. Mr. Strausburg explained that the report did not deliver what was incorporated in the engagement letter. Mr. Cannon said he is pointing out that you said the report would be delivered to both councils and the Mayor and Executive, but that is not necessarily true. Mr. Cannon said with the last report a decision was made unilaterally that the report was not sufficient enough to bring to Council thereby avoiding making that payment. Mr. Cannon then asked what category in the Executive's budget will this report be paid under, to which Mr. Strausburg said they have savings in a number of lines items in the Executive Office's budget that will be used to pay for this service rather than asking for a contingency transfer. Mr. Cannon then asked Mr. Strausburg how much does he anticipate Phase III will cost, to which Mr. Strausburg responded, in the context of

this fiscal year, we are looking a Phase I. He said that by the time Phase I is done and discussed, a follow-up with Phase II or Phase III will likely be in the next fiscal year. Mr. Cannon then said how about the long term commitment, to which Mr. Strausburg said we are only committing to Phase I, Phase II and III are optional. Mr. Joe Holloway said he does not think there are any complaints from the citizens on the service they are getting. They were, however, under a fear when the prior mayor was threatening to cut the service off. The issue now is that the City is not being reimbursed. He does not hear any complaints about any of the fire services not being able to do their jobs. Mr. Strausburg said the fire and EMS do a terrific job, the two questions that consistently come up are (1) costs sharing (2) who responds. Mr. Matt Holloway said the complaints he has heard are not from citizens, they are from firefighters responding in other peoples territories. Mr. Joe Holloway asked if this proposal has been discussed with the volunteer departments asking if they are happy that we are going in this direction. Has there been any input from them? Mr. Culver came to the podium. He said that he has spoken to many of the volunteer fire companies, and he has told them what we are doing. He said he does not anticipate going past Phase I. He hopes the Mayor and him can sit down and work all this out. He said they are in favor of finding out what the true costs are and working with someone who knows how to measure the data. Mr. Joe Holloway asked if they are willing to cooperate, to which Mr. Culver responded, yes. Mr. Culver said it is more what the true costs are, not their level of fundraising, on running the equipment as well as personnel. Mrs. Harris said section 305E of the Charter requires that all records and files pertaining to the receipt of expenditures of county funds by all officers, agents and employees shall be available to the internal auditor. Mr. Strausburg said he keeps going back to a really good dataset because whether or not this leads to a Fire Service Agreement that is acceptable to the City and County and the volunteer fire companies, whatever decisions we have to make going forward with regard to what our fire service and what our EMS countywide looks like in the future, he thinks there is a lot of value in that. It should give use the information we need to make decisions going forward. Mr. Strausburg said he has been in these discussions for four years, and he thinks we need a good objective third party analysis that everyone trusts and has confidence in. Council gave a consensus on moving the proposal forward.

Signatures are on the next page.

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January 19, 2016**



John T. Cannon, President

Matt Holloway, Vice President

Absent

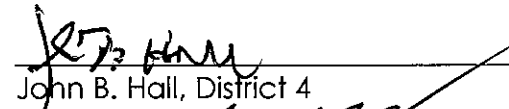
Ernest F. Davis, District 1



Marc Kilmer, District 2



Larry W. Dodd, District 3



John B. Hall, District 4



Joe Holloway, District 5



Matthew E. Creamer, Council Administrator