

MINUTES, UMATILLA CITY COUNCIL
FIRE ASSESSMENT WORKSHOP
MAY 10, 2018 7:00 P.M.
COUNCIL CHAMBERS, 1 S CENTRAL AVENUE, UMATILLA, FL

Meeting called to order at 6:00 p.m.

ROLL CALL

IN ATTENDANCE: President Laura Wright; Vice President Brian Butler; Council members Katherine Adams, Eric Olson, Scott Purvis; Mayor Mary Johnson; Public Works Director Aaron Mercer; Police Chief Adam Bolton; Fire Chief Shane Lanoue; City Attorney Chris Ryan; City Manager Scott Blankenship; City Clerk Karen Howard

ABSENT:

FIRE ASSESSMENT PROGRAM – Presentation by **Sandi Walker**, Government Services Group

Sandi Walker of Government Services Group presented a Power Point program regarding Fire Assessment programs.

A Fire Assessment is a charge imposed against real property to pay for fire services. It is a Home Rule revenue source, not driven by statute but rather by case law. It can only fund Fire Protection services up to the level of First Responder, but cannot fund EMS services.

City Manager Blankenship said that Fire Department funding which is roughly a quarter of a million dollars is paid by ad valorem.

Ms. Walker noted there is a two-prong approach to meet case law requirements to be a valid special assessment. There must be a special benefit to property and there must be a fair and reasonable apportionment.

The apportionment methodology we developed for you is the Historical Demand Methodology. It has been court tested and approved and is used by about 95% of the programs in Florida. We look to see what types of properties are demanding fire services. We look at call data to see who is driving the service requirements. All calls are created equally. There is one rate for single family residential structures. This methodology was challenged in 2010 and was upheld.

There are four components we look at when doing our study.

- Service delivery - You are a first responder, volunteer department. There is no EMS component.
- Apparatus and Available Fire Flow - Based on your apparatus the fire flow available in the city according to the National Fire Protection Association (NFPA) standards, your department can put out a fire up to 46,000 square feet in a fully engulfed non-residential fire. We have capped your non-residential categories to 46,000 square feet.

Your department has mutual aid and automatic aid agreements. If a building catches fire there would be adequate response. Looking at service delivery we can only look at your resources.

The benefit area includes the entire city.

We developed the cost apportionment by looking at a sample period of your calls based on ten months.

We looked at every parcel in your city and what is on the property; the building uses and size of the buildings. Vacant land was excluded from the study.

We developed a five (5) year assessable budget and developed rates on the average, as this provides a stabilized revenue source. We developed the rates based on the average.

There are two buildings in the city that exceed the 46,000 square foot cap – a hospital and a shopping center.

The review of the Historical Demand showed the following:

- 64.12 percent of calls are going to residential – single family, multi-family, and mobile homes
- 15.39 percent of the calls are going to institutional
- .38 percent of the calls are going to Industrial/Warehouse
- 10.05 percent of the calls are going to commercial
- 10.05 percent of the calls are going to the one nursing home in the city

This is how you stay legally defensible. Whatever budget you decide to fund must be apportioned accordingly.

Through parcel apportionment, we look at a fair and reasonable charge and how to charge different types of properties. Residential is charged on a per dwelling unit basis which includes single family, multi-family, and mobile homes.

Non-residential categories are Commercial, which also includes RV parks. The reason they are included is based on a statute which says RV Parks must be charged the same as hotel/motel commercial establishments. We look at the Department of Health records to see how many spaces are licensed. From a fire perspective, you have to provide the fire services. We assign 191 square feet to each RV space. This is based on the National RV Park Association. They say that is the average size of an RV.

The other non-residential categories are: Industrial/Warehouse; Institutional, which includes churches, schools, hospital, government properties and non-profits; and Nursing Home.

All the components are gathered and then we do the math. Scenario One is based on the status quo budget for the type of services you will be providing next year. The five year average is \$302,956 based on two volunteer firefighters on a 24 hour shift without the new truck. The rates based on the apportionments are:

- Residential \$117 annually
- Average Commercial based on 4,758 square feet is \$285 annually
- Average Industrial/Warehouse is based on 4,455 square feet with an annual fee of \$45
- Average Institutional based on 7,731 square feet is \$1,83 annually
- Nursing Home is 33,102 square feet with an annual charge of \$30,454

Scenario Two is based on keeping the same personnel as you have now and adding the funding of the new fire truck, bringing the assessment to \$366,162. The rates would be:

- Residential \$142 annually
- Average Commercial based on 4,758 square feet is \$380 annually
- Average Industrial/Warehouse is based on 4,455 square feet with an annual fee of \$45
- Average Institutional based on 7,731 square feet is \$2,211 annually
- Nursing Home is 33,102 square feet with an annual charge of \$37,074

Scenario Three is based on an increase in personnel to include an additional 12 hour shift and the funding of the new fire truck, bringing the assessment to \$408,898. The rates would be:

- Residential \$158 annually
- Average Commercial based on 4,758 square feet is \$380 annually
- Average Industrial/Warehouse is based on 4,455 square feet with an annual fee of \$45
- Average Institutional based on 7,731 square feet is \$2,432 annually
- Nursing Home is 33,102 square feet with an annual charge of \$41,378

Scenario Four is based on three volunteers on 24 hour shifts and the funding of the new fire truck, bringing the assessment to \$450,385. The rates would be:

- Residential \$174 annually
- Average Commercial based on 4,758 square feet is \$427 annually

- Average Industrial/Warehouse is based on 4,455 square feet with an annual fee of \$89
- Average Institutional based on 7,731 square feet is \$2,727 annually
- Nursing Home is 33,102 square feet with an annual charge of \$45,350

If you decide to move forward with this staff would need notice to proceed. You would have to have two readings and advertise the ordinance. An aggressive schedule would be to have your first ordinance reading on June 5th, followed by the second reading on June 19th.

After adopting the ordinance at the final reading on June 19th you could adopt your Initial Assessment Resolution at the same meeting. To collect it on the tax bill you have to comply with Uniform Tax Bill Collection statute 197.3632. You have to send a first class notice to all property owners. We have been working with the Property Appraiser and their office now allows non-ad valorem assessments on the TRIM notice at a nominal cost. We recommend you use the TRIM notice. There is a schedule to submit the information to the Property Appraiser so it can be merged into the tax information. The schedule is to mail the TRIM notice by August 18th.

The only problem with using the TRIM notice is it does not always fit within your regularly scheduled meetings. You would have to set a Special Meeting to adopt the Final Assessment Resolution during the September 10th through the 13th time frame. The Final Roll has been certified and submitted to the Tax Collector on September 14th at 5:00 p.m.

When setting the Initial Assessment Rate Resolution you set it at the highest rate you anticipate. You can come down to a lesser rate but you are unable to increase the rate.

Staff also needs exemption policies and any other issues you may wish to discuss.

Council member Purvis asked questions about the calculations on building sizes. **Ms. Walker** said the average square footage was obtained through the Property Appraiser's office. Discussion took place on the types of calls that were reviewed during the study.

City Manager Blankenship said our city is at the spot in growth where a funding source is needed. If we cannot serve new growth; we need to adopt a moratorium on permits until we have a funding source to serve the entire city. We have a Volunteer Fire Department. If the county came in to take over our fire service they would bring in two people and the cost would be double the numbers that are under consideration.

Chief Lanoue has done a great job on staffing. We have to provide consistent, reliable public safety to our residents. We need you to decide what you want to fund.

Discussion took place on the Institutional assessments. **City Manager Blankenship** said there are other ways to look at Institutional: I have heard of per-call charges for Institutional. **Ms. Walker** said you do not have to exempt Institutional: you can exempt them 50% or 75%. Typically new programs exempt them 100% the first year and increase a scale in subsequent years.

Chief Lanoue said we may have responded to the First Baptist Church a handful of times for fire alarms, but we do have quite a few calls to the Sonshine School: perhaps twice a month.

From March to March we ran 190 fire related calls, 15 times involved putting hose on the ground and extinguishing fires. The rest are related to hazardous materials, special rescues, and fire alarms. There were 830 EMS calls which includes vehicle accidents and EMS calls.

Ms. Walker said you fund and staff for properties; vehicle accidents are incidental.

Discussion focused on Institutional charges with **Ms. Walker** stating 98% of her clients do not charge Institutional. **City Manager Blankenship** said there is a lot of fallout for Institutional Charges.

Ms. Walker said if you do not charge Institutional then it has to be paid through the General Fund. **Ms. Walker** said you have the option to change the rate at the public hearing. A lot of clients say they want to do some public education but the public does not show up until they see how it will

affect them monetarily. They will be able to get a deduction if they pay their tax bill early. It will go to a tax deed sale if unpaid.

Mayor Johnson said looking at it from a homeowner's perspective; we need to get the word out to the public.

Council member Olson noted we need to figure out something. Before **Mr. Blankenship** was here we looked at going with the County for police and fire services and the price tag was ridiculous. Most of the citizens with higher taxes are paying a higher burden now. We need to look at the options. The city will continue to grow.

Ms. Walker said this is an annual decision; you make the decision every year. It is not binding for five years.

Discussion took place on the number of cities that have adopted Fire Assessment Fees in Lake County: Leesburg, Fruitland Park, Mascotte, Minneola, Montverde, and Mount Dora is doing one this year. It is a dedicated revenue source to maintain the level of service for the Fire Department.

City Manager Blankenship said we will put this on the agenda Tuesday night to discuss and give staff direction to go or no go. If you have specific questions between now and then let me know.

Discussion took place on what it costs to run the Fire Department. The budget this year was \$302,956. It is not fair now because only certain people are paying their share.

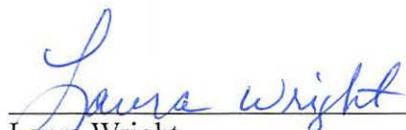
Ms. Walker said it is a stable revenue source. The new homestead deduction is expected to pass.

City Manager Blankenship said you do not have to determine which scenario you could fund. **Ms. Walker** said you can opt to fund at 50% or 75%. At a reduced rate it would require the General Fund to "buy in" the balance of the funding for the Fire Department.

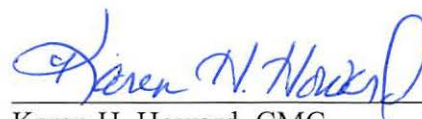
Discussion took place on specific parcels. **Ms. Walker** said the rates are based on a per building basis not per parcel.

Meeting adjourned 7:07 p.m.

ATTEST:



Laura Wright
Council President



Karen H. Howard, CMC
City Clerk