

## **ROSS VALLEY FIRE DEPARTMENT STAFF REPORT**

For the meeting of January 11, 2023

To: Board of Directors

From: Jason Weber, Fire Chief

Subject: Workshop from Local Motion Solutions related to Governance and Leadership Study

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### **RECOMMENDATION**

Receive draft report and presentation from Local Motion Solutions on options surrounding future Governance and Leadership of the Ross Valley Fire Department. Direct staff regarding next steps in the process.

### **BACKGROUND:**

The Ross Valley Fire Department (RVFD) is a consolidated department protecting lives, property, and the environments of Ross, San Anselmo, Sleepy Hollow, and Fairfax. The Department's history can be traced to the early 1900s, starting with the formation of small volunteer fire departments in the newly formed towns of Ross, San Anselmo, and Fairfax. Built near the wildfire-prone slopes of Mount Tamalpais, these communities were and continue to be acutely aware of the risk of fire.

In 1982, the Fairfax Fire Department and the San Anselmo Fire Department joined forces and became the Ross Valley Fire Services. At the time, Sleepy Hollow was receiving fire protection from the Town of San Anselmo through a service contract. Sleepy Hollow chose not to become a Joint Powers Authority (JPA) member while maintaining a non-voting seat on the Board. In 2010, the JPA expanded to make Sleepy Hollow a full JPA member, ending its contract for service with the Town of San Anselmo.

In 2012, Ross Valley Fire Department's Board of Directors voted to consolidate fire services with the Town of Ross, incorporating the Town of Ross Fire Station 18 into the Ross Valley Fire Department. Therefore, the current aggregate population of the Department's service area is estimated to be 24,785, served from 4 fire stations with nine (9) suppression personnel on duty daily.

In 2015 RVFD outsourced financial services to the Town of San Anselmo to provide accounting services such as account receivables (AR), account payables (AP), payroll, and other general

finance services. In August 2018, the RVFD entered into a Memorandum of Understanding (MOU) with Marin County Fire Department (MCFD) to provide administrative and executive services. However, the MOU between RVFD and MCFD terminates on June 30, 2023.

The Ross Valley Fire Department has used the services provided by MCFD as outlined in the MOU for “Fire Chief” and other command/leadership since August of 2018. However, the MOU won’t be renewed. Instead, the department is using the opportunity to recommend a path forward for governance and leadership, ensuring the long-term sustainability of Fire and Emergency Services.

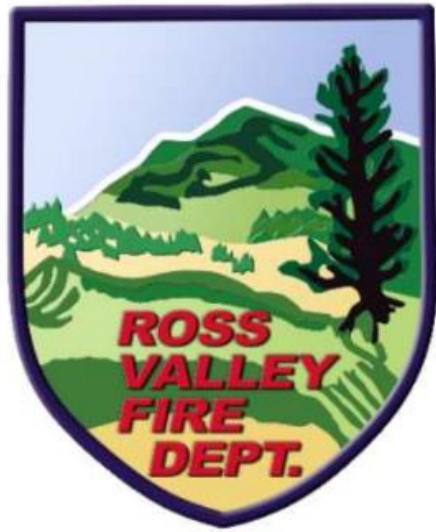
The department is seeking options for the succession of the MOU, which could include multiple scenarios that require research and, ultimately, policy options to be presented to the RVFD Fire Board. Therefore, the RVFD proposes a phased approach to gather information, compile and narrow options, and present to the RVFD Board several policy considerations.

The RVFD released a request for proposal after your May board meeting, soliciting a contractor to complete a leadership and governance study. RVFD received three proposals from well qualified vendors to complete the study. RVFD Management Team, including a member of the Sleepy Hollow Fire District, reviewed the three proposals. Your board selected Local Motion Solutions (LMS) to complete the “Governance and Leadership” study. The attached draft report from LMS and accompanying presentation will be the first opportunity for your board to review different options for future department leadership and governance.

Staff is recommending you take this first opportunity to review the information presented in the workshop. The management team is recommending a presentation to each Town Council during the months of January and February and will return to your Board for policy direction.

## **FISCAL IMPACTS:**

The receipt of this staff report and Local Motion Solutions presentation has no direct fiscal impacts. Any fiscal impacts will be brought back to your Board at a future date.



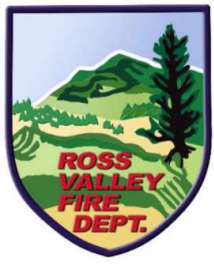
**LMS**

Local Motion Solutions

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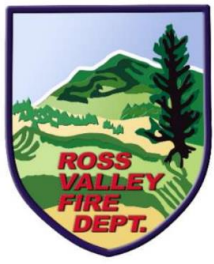
# **Ross Valley Fire Department Future Governance Leadership Project Update**

Wednesday, January 11<sup>th</sup>, 2023



# Scope of Work

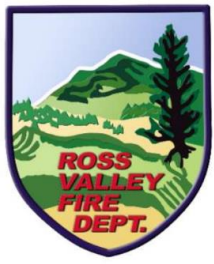
The Fire Board has requested that Local Motion Solutions provide pros, cons, and other considerations of six potential management solutions for the future.



## Timeline vs Time Constraint

It should be noted that some of the options may not be implemented by the time the contract with Marin County Fire Department expires (June 30<sup>th</sup>, 2023).

This may require the Fire Board to explore short-term options as a bridge to get to the desired model.



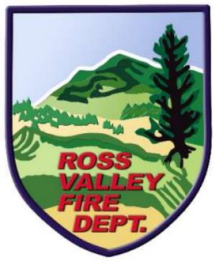
## Governance vs Leadership

Not all options are mutually exclusive.

As an example, the RVFD may opt to go with a District model but also opt for a stand-alone Fire Chief model.

It may remain a Joint Powers Authority and enter into a Joint Powers Agreement with other agencies.

As a result, the Board has really two separate decisions.



# Two Different Decisions

## Governance vs Leadership/Management

### Governance

How is it funded and managed politically?

Independent District

Dependent District

Joint Powers Authority (current agencies)

Joint Powers Authority (additional agencies)

### Leadership/Management

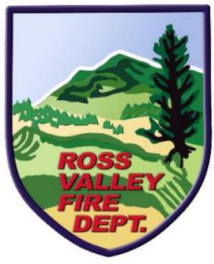
How is it managed, led, and organized?

Contract for Service

Joint Powers Agreement (shared Services)

Joint Powers Authority (additional agencies)

Stand Alone Fire Agency



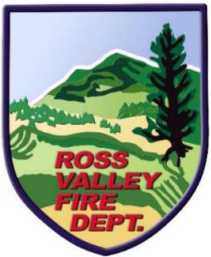
## Independent Fire District

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Act) establishes procedures for local government changes of organization, including city incorporations, annexations to a city or special district, and city and special district consolidations.

An Independent Fire District is financially and politically a separate government agency.

A Fire District board could be elected at large or elected by geographical areas.

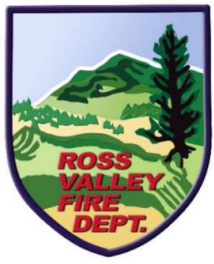




# Independent Fire District

## Examples of Independent Fire Districts in Marin

Fire District	Area Served
Kentfield Fire Protection District	Kentfield and unincorporated Greenbrae
Novato Fire Protection District	City of Novato and surrounding unincorporated areas (Ignacio, Black Point, Green Point, Bel Marin Keys, Atherton)
Southern Marin Fire Protection District	<p>City of Sausalito, ¼ Town of Tiburon, Unincorporated area surrounding Mill Valley (Tamalpais Valley, Almonte, Homestead Valley, Alto, Strawberry)</p> <p>Marin Headlands, Fort Cronkhite, Fort Baker, Fort Berry by contract with NPS</p> <p>*There is currently an application to LAFCO for the annexation of the City of Mill Valley into the District</p>



## Independent Fire District

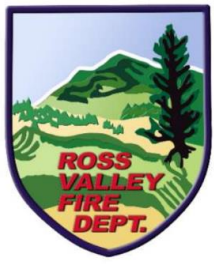
**There are two options for an independent district.**

The first is the creation of a completely new district.

The second option is to use the existing Sleepy Hollow Fire Protection District as the base agency and for each Town to be annexed into the existing District.

**Each option would require an application to Marin LAFCO.**

To create a Ross Valley Fire District, each town council would have to vote to move forward with the application process for the formation of a new district or to be annexed into the Sleepy Hollow Fire Protection District.

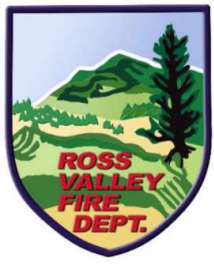


# Independent Fire District

## LAFCO Process

The application to LAFCO can be a lengthy process and would likely not be concluded by the termination date of the contract with the Marin County Fire Department.

If the Board were to pursue the formation of a district, a plan for a “bridge” would need to be developed.

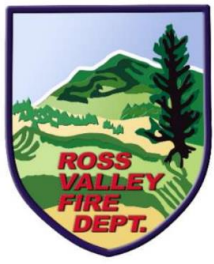


# Independent Fire District

## LAFCO Process

The plan for services would have to include how the new district would be funded. The only realistic option would be a tax transfer from the existing towns to the new fire district.

The amount of the tax transfer would be approximately the current cost borne by the agencies (subject to LAFCO approval).



## Independent Fire District

### Pros

The ability of the Fire District to address its own responsibilities and remain autonomous.

Fiscally independent

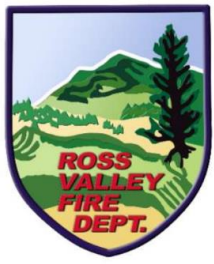
Elected representatives make up the Board of Directors

Budget is independent and no longer part of the town's budget

Property Tax shift is negotiated

Current unincorporated "islands" in the Ross Valley Area could be included

Future cost is no longer a strain on the City's budget



## Independent Fire District

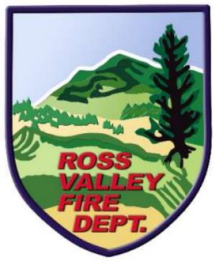
### Cons

Lack of Town Council Oversight (Loss of local control).

Shift of Property Tax (Most stable Town revenue).

Disconnected from City Services.

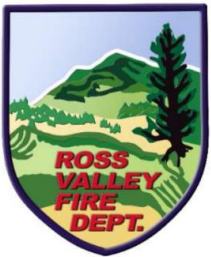
Focus on the creation of a District may distract from pursuit of other models that may provide a greater immediate financial benefit.



## Dependent Fire District

Financially separate & politically subservient

Dependent Special District includes any Special District that has a legislative body that consists, in whole or part, of ex officio members who are officers of a county or another local agency.

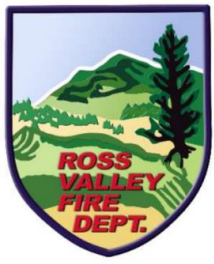


## Dependent Fire District

### Examples of Dependent Districts in Marin

District	Area Served/Board Makeup
Marin/Sonoma Mosquito Abatement District	Marin County, Sonoma County, every city or town in Marin or Sonoma Counties. Supervisors and town/city council members
Golden Gate Bridge District	San Francisco, Marin County, Sonoma County, Napa County, Mendocino County, and Del Norte County. Combination of Board of Supervisors and Appointees.
Marin County Open Space District	Marin County Board of Supervisors serves as the MCOSD Board.
CSA 19 Fire Protection (Unincorporated islands, San Rafael)	Marin County Board of Supervisors
CSA 31 Fire Protection (Unincorporated islands, Marin)	Marin County Board of Supervisors





## Dependent Fire District

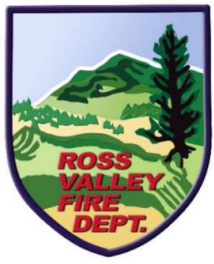
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The amount of the tax transfer would be approximately the current cost borne by the agencies (subject to LAFCO approval).

If the Board were to pursue the formation of a district, a plan for a “bridge” would need to be developed.

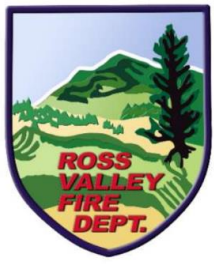


## Dependent Fire District

### Pros

Generally, the Same as an Independent District but, with more local control Council appoints Board representatives.

Board members could be either Council Members or be appointed by each Council.



## Dependent Fire District

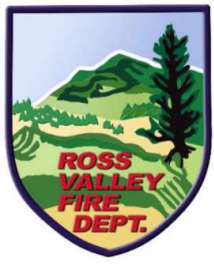
### Cons

Shift of Property Tax (Most stable Town revenue)

Disconnected from City Services

Board focus is not independent of the Cities and Towns

Board is not directly elected by the voters.



# Joint Powers Agreement

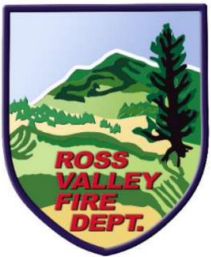
## **JPA's - Joint Powers Agreements**

Section 6500 of the California government code allows public agencies to enter into joint powers agreements and joint powers authorities.

A Joint Powers Agreement consists of two or more agencies sharing or exercising common powers. Each agency continues to maintain independence for providing the service and employees continue to work for one of the original agencies.

This should not be confused with a Joint Powers Authority, such as the Ross Valley Fire Department (which may also be called A JPA).

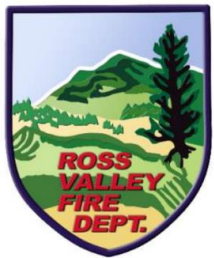
Joint powers agreements may also be referred to as simply shared services or a shared services agreement



# Joint Powers Agreement

## Examples of Joint Powers Agreements in Marin

Agencies	Services Shared
Southern Marin fire protection District City of Mill Valley	Currently, the SMFPD and the MVFD operate a single fire department under a Joint Powers Agreement.  *The City of Mill Valley and the Southern Marin Fire Protection District currently have an application with LAFCO for the annexation of the City into the Fire District.
Central Marin Fire Authority Kentfield Fire Protection District	The CMFA and the KFPD share battalion Chief coverage for the two service areas with CMFA covering two shifts and KFPD covering one shift.
City of San Rafael Marinwood Community Services District (Marinwood Fire Department)	SRFD and MCSD share response resources with Marinwood providing first-due response to city areas and SRFD providing Battalion Chief Coverage.  *Under separate agreements, San Rafael provides a Fire Chief and Fire Prevention services.



# Joint Powers Agreement

## Pros

JPA's are flexible and easy to form.

JPA's are very good for sharing limited services or a bridge to get to a more permanent agreement.

Any government agency can participate in a JPA.

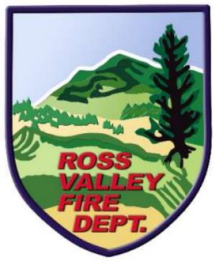
Member agencies may negotiate their levels of commitment.

It allows agencies to essentially trade services or resources.

It's up to the agencies to determine what is fair and equitable between them.

Sometimes it may also involve payment to cover an imbalance in resources put into the joint powers agreement.

JPA's may be cancelled without significant unwinding.



# Joint Powers Agreement

## Cons

There is not a single governing body overseeing the provision of service.

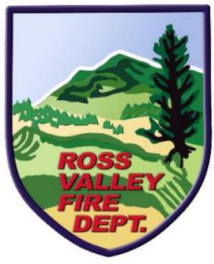
Direction often relies on a committee with limited authority or ad hoc agreements between agencies. Over time, understandings between the two agencies can drift or change.

Each agency still maintains its own budget, employees, and policies.

Because the agencies are separate, it can be difficult to focus on long-range planning and long-range capital outlay.

Because employees work for separate agencies, there may be misunderstandings about the chain of authority, priorities, allegiances, or the mission of the organization.

This can lead to difficulties with employee discipline, collective bargaining, working conditions, and benefits.

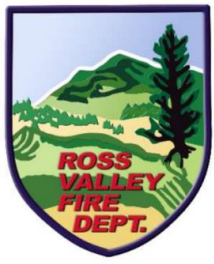


## Joint Powers Agreement

Joint powers agreements are good for sharing limited services or functions between organizations, or as a bridge to get to another governance model, such as annexation, a contract for service, or a joint powers authority.

Joint powers agreements should not be used as a permanent replacement for any of those.





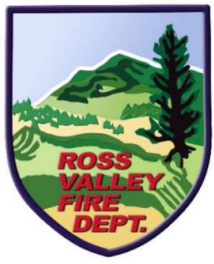
# Joint Powers Agreement

## Central Marin Fire

Central Marin fire has expressed interest in a joint powers agreement as a potential bridge to a joint powers authority. No other agency expressed an interest.

A joint powers agreement or authority with Central Marin Fire presents the only opportunity which is either cost neutral or possibly presents an opportunity for savings.

Central Marin Fire and Ross Valley Fire are similar agencies, both agencies are joint powers authorities serving small municipalities. Each agency has four stations and a similar management structure.

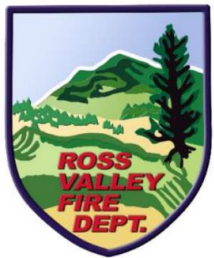


# Joint Powers Agreement

## Potential Central Marin Fire / Ross Valley Fire JPA

We have worked with the management staff of Ross Valley Fire and Central Marin Fire to create a possible organizational structure and potential cost for the structure.

It should be noted, that this is a hypothetical structure and costs represent a high level look at potential costs.

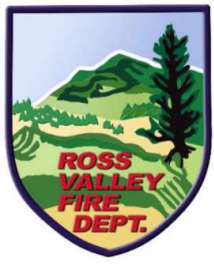


# Joint Powers Agreement

## Potential Central Marin Fire / Ross Valley Fire JPA

Position	CMFD	RVFD	Combined	Combined Agency
Fire Chief	1		1	1
Dep Chief		1	1	1
Batt Chief (Shift)	2	2	4	2*
Batt Chief (Admin)	1		1	3*
Total Chief Officers	4	3	7	7
Inspector	1	2	3	3
Wildfire Hazard Spec II	1	1	2	2
Wildfire Hazard Spec I		1	1	1
Emergency Prep Coord	1	1	2	2
Total Prevention/Preparedness	3	5	8	8

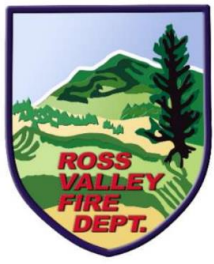
\*Currently CMFD participates in a JPA with Kentfield Fire for a Shift Battalion Chief. Whether this makes sense in the long term should be evaluated. Admin B/Cs would include a Training Officer, Fire Marshall, and possibly an EMS Officer.



## Joint Powers Authority or Agency

A joint powers agency or joint powers authority (JPA) is a new, separate government organization created by the member agencies, but is legally independent from them.

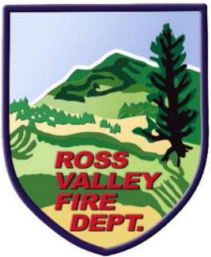
Like a joint powers agreement (in which one agency administers the terms of the agreement), a joint powers agency shares powers common to the member agencies, and those powers are outlined in the joint powers authority agreement.



## Joint Powers Authority or Agency

As a legally separate public agency, the JPA can sue or be sued, hire staff, obtain financing to build public facilities, and manage property. Joint powers agreements usually protect their member agencies from a JPA's debts or other liabilities.

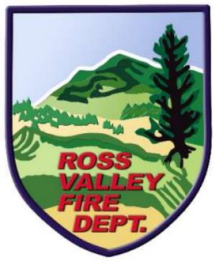
To avoid the financial problems that can result if member agencies pull out of JPAs, some joint powers agreements include specific protocols that make it difficult to dissolve the agreements.



# Joint Powers Authority or Agency

## Examples of Joint Powers Authorities or Agencies in Marin

Agency	Area Served
Ross Valley Fire Department	Town of Fairfax, Town of Ross, Town of San Anselmo, and Sleepy Hollow Fire Protection District
Central Marin Fire Authority	Town of Corte Madera and City of Larkspur
Central Marin Police Authority	Town of Corte Madera, City of Larkspur and Town of San Anselmo



## Joint Powers Authority or Agency

### Pros

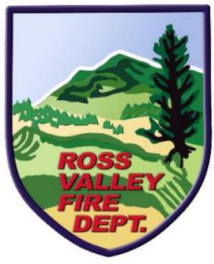
JPAs are flexible.

JPAs may be more efficient than separate governments.

JPAs allow local agencies to join forces and tackle issues together.

JPAs can use the personnel, expertise, equipment, and property of each agency, promoting economy and efficiency.

JPAs cooperate on regional solutions.



## Joint Powers Authority or Agency

### Cons

It is unlikely that a JPA could be completed before the termination of the contract with MCFD.

A JPA requires that all employee benefits be brought into alignment.

All employees must be transferred to the new agency.

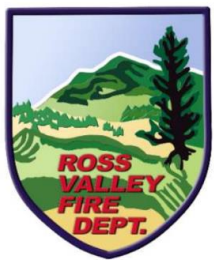
Cost sharing formulas need to account for exist unfunded retirement liabilities and OPEB (Other Post-Employment Benefits).

JPA's can be difficult to unwind (unfunded retirement liabilities and OPEB).

Larger JPA's may have a large Board of Directors.

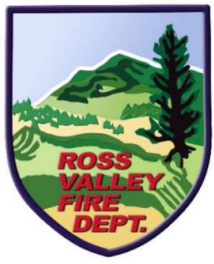
Because Directors represent individual agencies, Board focus may not be independent of the Cities and Towns





## Joint Powers Authority vs Special District

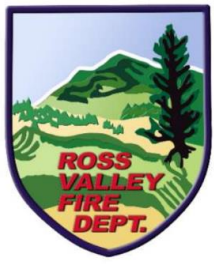
	Joint Powers Authority	Special District
Legal authority:	Joint Exercise of Powers Act	Separate principal acts
Formation:	Joint exercise of powers agreements	LAFCO and voter approval
Governance:	Determined by the JPA's member agencies	Governing board (elected/appointed)
Services:	Any common powers	Only what state law allow



## Joint Powers Authority or Agency

### Central Marin fire

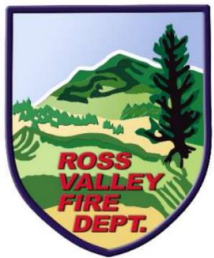
As noted previously, Central Marin Fire was interested in a joint powers agreement as a potential bridge to a joint powers authority. No other agency expressed an interest.



## Contract for Service

A contract for service is one agency paying another to provide a service or a portion of service.

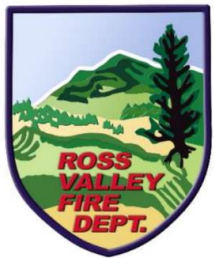
Contracts can be for management services, fire prevention, shift battalion chief coverage, or for the provision of all emergency response.



## Contract for Service

### Examples of Contract for Service

Agencies	Services
Marin County/Ross Valley	Overhead services: Fire Chief, Deputy Chief, Fire Marshall
Tiburon Fire, City of Belvedere	Tiburon provides all fire services to Belvedere
San Rafael, Marinwood	San Rafael provides Fire Chief and Prevention services
Southern Marin, National Park Service	Southern Marin provides all emergency response but, does not provide fire prevention.



## Contract for Service

### Pros

Quick to initiate, good short-term solution.

Focused contract responsibilities.

Cost-effective.

Can provide experienced leadership.

### Cons

The contract agency may not get the same level of attention as the contractor agency.

It may place heavier or competing workloads on contractor employees.

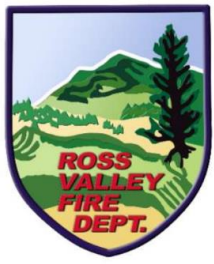
Expectations may not always be clear.

Lines of authority are not always clear.

The contractor may have to hire additional personnel to meet expectations (this can create long-term obligations).

Costs may be more volatile.

Not always a long-term solution



## Contract for Service

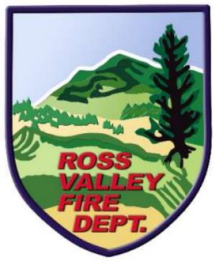
Unfortunately, none of the surrounding agencies were interested in pursuing a contract for services for overhead. This included providing a Fire Chief or a Deputy Chief acting as the primary administrator for Ross Valley.

Marin County would be interested in a contract for providing all fire services in a long-term contract.

Because of differences in compensation packages, the increase cost to Ross Valley would likely be in excess of \$1 million.

A full contract for service polled very unfavorable with Board and Council members.

LMS did not pursue this option in detail.



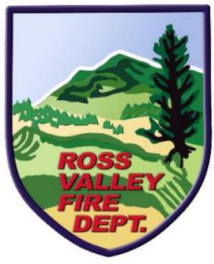
## Stand Alone Fire Agency

Ross Valley, historically has had a single Fire Chief who oversaw administration, operations, and fire prevention.

The fire service has become more complex with greater demands placed on fire service managers.

Most modern fire agencies of Ross Valley's size have separate managers assigned to these three functions.

Ross Valley would likely have to not only hire/promote a Fire Chief, but likely a Deputy chief and possibly a Fire Marshal.



## Stand Alone Fire Agency

### **Pros**

Maintains local control.

Ross Valley Fire Department would be the chief's sole focus.

Simple and maintains the status quo.

### **Cons**

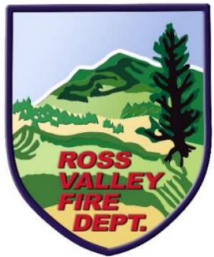
Will increase costs.

A small pool of candidates internally.

Hiring from the outside can bring unknown qualities.

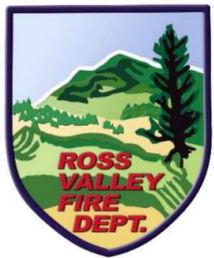
Duplicates services of adjacent agencies.





## Stand-Alone Fire Management vs Current Cost

Current Cost with Marin County	\$ 327,000
Projected Cost Stand-Alone RVFD	
Fire Chief	\$ 291,000
Deputy Chief	\$ 280,000
Fire Marshall	\$ 269,000
Total	\$ 840,000
Projected Increase	\$ 513,000



## Next Steps:

### Restating The Two Different Decisions Before the Board

Governance vs Leadership/Management

#### Governance

How is it funded and managed politically?

Independent District

Dependent District

Joint Powers Authority (current agencies)

Joint Powers Authority (additional agencies)

#### Leadership/Management

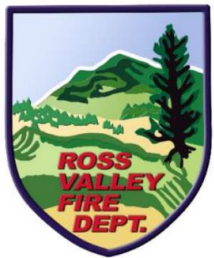
How is it managed, led, and organized?

Contract for Service

Joint Powers Agreement (shared Services)

Joint Powers Authority (additional agencies)

Stand Alone Fire Agency



## Next Steps:

### Provide Feedback, Ask Questions, Seek Clarification

Provide Direction on which of the six governance models you would like additional information included in the final report.

Provide Direction on any additional information you would like included in the Final Report

## Interviews as of Board Meeting 12/14/2022

<b>Town of Ross</b>	
Christa Johnson	Town Manager
Julie McMillan	Council Member
Beach Khul	Mayor
Elizabeth Brekhus	Mayor Pro Tem
Elizabeth Robbins	Council Member
William Kircher	Council Member
<b>Town of Fairfax</b>	
Heather Abrams	Town Manager
Stephanie Hellman	Mayor
Chance Cutrano	Vice Mayor
Barbara Coler	Council Member
Bruce Ackerman	Council Member
Renee Goddard	Council Member
<b>Town of San Anselmo</b>	
Dave Donery	Town Manager
Alexis Fineman	Mayor
Steve Burdo	Vice Mayor
Eileen Burke	Council Member
Ford Greene	Council Member
Brian Colbert	Council Member
Jeff Zuba	Finance Manager
<b>Sleepy Hollow FPD</b>	
Rich Shortall	Board President
Thomas Finn	Board Member

<b>Ross Valley Firefighter's Ass'n</b>	
Oscar Arenas	Union President
Sid Jamont	Past Union President
<b>Marin County Fire</b>	
Jason Weber	Fire Chief
Chris Martinelli	Deputy Fire Chief
<b>Ross Valley Fire</b>	
Dan Mahoney	Battalion Chief
Tim Glasser	Battalion Chief
Gavin Illingworth	Battalion Chief
Rob Bastianon	Senior Fire Inspector
Derrick Shaw	Fire Inspector
<b>LAFCO</b>	
Jason Fried	Director
<b>Kentfield Fire Protection District</b>	
Mark Pomi	Fire Chief
<b>Central Marin Fire</b>	
Ruben Martin	Fire Chief
Dan Schwartz	City Manager – Larkspur
Adam Wolfe	Town Manager Corte Madera
<b>San Rafael Fire Department</b>	
Darrin White	Fire Chief
<b>Marin Professional Firefighters</b>	
John Bagala	Union President