



DRAFT

TO: LARRY COLE, MAYOR
CITY OF BEAVERTON

FROM: O. W. "SOX" LEE, FIRE CHIEF

SUBJECT: OPERATIONAL CONSOLIDATION PLAN UPDATE

DATE: SEPTEMBER 2, 1987

As you are aware, the joint Fire Chiefs are working diligently on the master plan which operationally consolidates Washington County Fire District No. 1, the Beaverton City Fire Department, and Tualatin Fire District. Not only are we achieving this objective, we are also working closely with you and other I.G.C. members to begin implementing various consolidated programs (i.e. Training, Support Services, Dispatch, etc.). Between now and the end of the year we would like to accomplish the following through the I.G.C.

1. Select land for the building of the new Jenkins Road station (Engine 254).
2. Develop a joint Financial Plan for the construction of a new station with Washington County Fire District No. 1 (near 173rd and Farmington).
3. Complete and adopt the Master Plan for Operational Consolidation.
4. Finalize the consolidation of the Emergency Services Division and Community Development Division.
5. Establish permanent location for the Community Development function (preferably at the Beaverton City Hall).
6. Acquire I.G.C. approval to proceed with the remodel of Washington County Fire District No. 1's headquarters.

I would also respectfully request that you authorize the inclusion of an additional alternative in the master plan relative to the handling of fire protection on a long-term basis. There is little doubt that the operational consolidation plan is a major step in the right direction, a step which reflects a concern for better service at reduced cost for all three involved. It further demonstrates genuine cooperation on the part of agencies jointly serving the area and improves the overall attitude and confidence felt by our citizens as it relates to government's ability to look out for their best interest.

DRAFT

Mayor Cole
September 2, 1987
Page 2

My request is that the Fire Chiefs be allowed to pursue the feasibility of the City annexing to and becoming a legal part of the newly formed fire organization. Your permission to do this is critical due to a personal commitment Chief Snook feels he has with you to keep the issues of consolidation and legal merger separate until you direct otherwise.

As we work towards the completion of the master plan, it becomes apparent to me that it might be to our advantage to consider such an approach. My thoughts would include the following:

1. I am convinced that the motives involved (all three agencies) are truly to improve service and reduce costs).
2. Tax rates within a combined organization can be driven as low as \$1.98 over the next five years, considerably lower than we currently provide the service (see attached financial workup).
3. It would reduce the City's overall tax rate immediately to approximately \$2.40 (a reflection of fire protection being handled by a separate tax code at a reduced rate) which politically assists in selling the City to potential annexations and to the patrons of the existing city.
4. It reduces our City tax by approximately 3.2 million dollars which eliminates the problem of reaching the maximum limit of our tax base, therefore giving us the ability to expand other departments and programs as well as meeting capital improvement needs without requiring voter approval for more money.
5. It would not only allow for the City to annex and grow, but it guarantees special district support (specifically directed at the City of Beaverton).
6. Eliminates contract and imbalance payments to Washington County Fire District No. 1 (\$261,000).

Areas which would need to be worked out (which I am sure they could) include:

1. Maintaining adequate identity and good public relations for our City.
2. Ensuring adequate City representation on the governing board.
3. An escape mechanism in case unsuspected situation(s) present themselves.
4. The development of joint long-term goal and objectives which ensure that the desires of the elected officials are met.

DRAFT

Mayor Cole
September 2, 1987
Page 3

I felt impelled to write this memo at this particular time because we are truly at a crossroad relative to fire protection. The old cliche "Timing is everything" holds true in this situation. I personally think our elected officials, our fire department, and our community needs to focus on this situation. It could be one of the most positive things done for our city in a long time. It looks to me like we truly have the potential here-for everyone to be winners.

Respectfully,

O. W. "Sox" Lee, Fire Chief
City of Beaverton

FISCAL ANALYSIS
OF
FIRE SERVICES CONSOLIDATION

The following is an evaluation of estimated figures. In the near future there will be more definitive figures available.

ASSESSED EVALUATION:

Washington County Fire District No. 1 - - - - -	\$4,250,341,675
Tualatin Fire Protection District - - - - -	2,493,303,796
City of Beaverton - - - - -	1,631,891,758

TAX RATE PER 1,000 TCV:

Washington County Fire District No. 1 - - - - -	\$2.58
Tualatin Fire Protection District - - - - -	2.70
City of Beaverton Fire Department - - - - -	2.26 *

Estimated Combined Valuation/1987 - - - - -	\$8,424,493,981
Combined Levy and/or Budgets - - - - -	21,019,949
Combined Cost per 1,000 TCV - - - - -	2.50
Less Operational Consolidation Savings - - - - -	.18
	<u>2.28</u>
Plus Revenue - Ambulance Transport	.35
Estimated Long-Term Consolidated Tax Per 1,000 TCV - -	\$1.97

*Includes overhead and support services