

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Work Session: Eugene-Springfield Fire Service Merger Update

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Meeting Date: October 26, 2011  
Department: Fire and EMS Department  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: B  
Staff Contact: Chief Randall B. Groves  
Contact Telephone Number: (541) 682-7115

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#### **ISSUE STATEMENT**

In an era of financial challenge, new and creative solutions are necessary for sustaining core community services, particularly in fire prevention, suppression, rescue, and emergency medical services (EMS). To this end, completed elements of the functional consolidation feature new and more efficient ways to provide fire and emergency medical services by skillfully combining the strengths of the Eugene Fire & EMS and the Springfield Fire & Life Safety Departments through the use of multi-role, multi-skilled personnel and eliminating unnecessary duplication.

#### **BACKGROUND**

In June 2007, the two cities effectively eliminated jurisdictional boundaries for the purposes of emergency fire, rescue, first-response EMS, hazardous materials and ambulance transport. The closest and most appropriate resource is now dispatched, regardless of jurisdiction. This approach, known as the 3-Battalion Response System, has resulted in faster initial response to emergencies, as well as better backup coverage to ensure that a safe level of resources are available throughout the Eugene-Springfield metro area. The only tangible costs have been associated with a limited amount of staff time and the minimal one-time cost of renumbering some fire stations and vehicles into a single cohesive system.

In 2009, the two departments commissioned a study of potential further collaboration by Emergency Services Consulting International (ESCI). The study results were presented to elected officials in June 2009, and discussed at a follow-up meeting in September.

Elected officials also received, as background for the December 7, 2009, Joint Elected Officials Meeting, a detailed report explaining what the consolidation would entail in each functional area of both departments. At that meeting, members of the Springfield City Council voted unanimously in support of initial steps, while members of the Eugene City Council voted to consider the matter further while meeting as a single body.

In July 2010, the two departments entered into a “functional consolidation” which involved the sharing of a number of key management and administrative positions through an inter-governmental agreement (IGA). This agreement allowed both cities to achieve a combined projected annualized savings of \$562,000 beginning in FY11. At the close of FY11, these projections were exceeded with an actual savings of \$606,999 (Attachment 1). These savings resulted from the elimination of a number of positions which were eliminated through attrition. This led to a reshuffling of responsibilities and a new organizational structure (see attached organizational chart) to manage the functional consolidation.



Current shared positions include:

Chief of Departments (Eugene)

Deputy Chief of Operations (Eugene)

Fire Marshal (Springfield)

Administrative Services Director (Springfield)

- At this point limited to ambulance billing oversight

Deputy Chief of EMS and Community Relations (Springfield)

Deputy Chief of Special Operations (Eugene)

EMS Chief (Eugene)

Emergency Medical Services Officer (Springfield)

Training Chief (Springfield)

By sharing these key positions, a more unified system has been established in delivering fire prevention, suppression, rescue and emergency medical services in the Eugene-Springfield metro area.

### **Recent Progress**

In July 2011, the two departments began the second year of functional consolidation with an annual projected savings of \$876,239 (Attachment 1). Since July 1, a number of steps have been taken to progress the merger initiative including cross assignments of some Battalion Chief positions (shift supervisors) between the two cities. An integrated Strategic Plan and Work Plan, as well as an integrated Standards of Cover Report and Annual Report, have also been completed. These documents were distributed to both councils earlier this year.

An integrated training schedule has been developed and an additional IGA has been signed by the two city managers authorizing the first joint firefighter recruitment and selection process which is currently under way. This will produce additional savings and reduce each city's level of staff time previously devoted to the process.

Both departments were successful in being jointly awarded a \$405,000 (with a 20 percent match) Federal Emergency Management Agency (FEMA) grant to replace and standardize aging metro area hydraulic extrication equipment. The new equipment should be in place sometime in early 2012, and will bring this essential equipment up to current standards and promote utility and commonality within the larger protection area.

An additional memorandum of understanding between the two fire unions, IAFF Local 851 (Eugene) and IAFF Local 1395 (Springfield) was successfully signed, allowing the Deputy Fire Marshals to move between the two cities and assign work in a manner that makes more sense for the Metro area. The first joint firefighter recruit class graduated in June 2011, and the first combined recruitment and selection process is currently under way adding to the savings produced under the merger initiative. More detail on current activities and accomplishments is provided in Attachment 1.

In August, managers from both cities' finance, information technology and human resources offices came together to determine how best to support a merged fire service organization shared by the two cities. This work, especially the work of the finance and human resource offices, is a precursor to the work that needs to be done with labor.

In September, city managers from both cities, met with the fire unions to discuss merging labor contracts and initiating the process for labor discussions. This will be the main determining factor in deciding next steps in the process. Since that time, a joint citywide team of finance staff have begun a detailed costing of the two contracts to help inform the work with labor.

Attachment A provides more detail on these and other accomplishments.

### **Challenges**

Although significant progress has been made, there are areas that remain challenging as the two departments work towards a merged organization. Some of these challenges include:

- Managers filling shared positions are finding it challenging to keep up with multiple responsibilities, e.g., managing the Springfield Fire & Life Safety Department, managing the Eugene Fire & EMS Department and managing the merger integration. These are essentially three jobs. These challenges will decrease as more areas of the two organizations are integrated into one way of operating. The tough budgetary environment in both cities has also complicated the process and taxed a reduced staff who must work through two separate budgeting processes.
- Fulfilling multiple roles has led to less personal contact between senior staff, rank and file department employees, and administrative support staff.
- Change, and the perception of change, has proven difficult for some members in both organizations.

### **Decision Points in the Merger Process**

The incremental approach to the merger has permitted staff, and both cities, time to evaluate the feasibility of the continued efforts. So far in the process, a number of efficiencies have been realized, with significant cost savings to both organizations during a time of reduced financial resources. At the same time, a clear decision and long-term direction for both organizations is needed soon. To that end, it is envisioned that any decision process to fully merge, or separate, will include these following steps:

- Step 1: Evaluate the feasibility of a merged IAFF contract.  
If feasible, continue to Step 2.  
If not feasible, stop and develop strategy to separate.
- Step 2: Evaluate likely comparables for IAFF merged contract.  
If feasible, continue to Step 3.  
If not feasible, stop and develop strategy to separate.
- Step 3: Obtain a merged contract for represented general service employees currently represented by AFSCME (Eugene) and SEIU (Springfield).  
Complete Step 3 and continue to Step 4. State statute provides for a process to resolve this step if the policy decision is made to move forward.
- Step 4: Cities evaluate governance models and select preferred model.  
If cities agree, merge fire service organization under new governance model.  
If cities cannot agree, stop and develop strategy to separate.



It is hoped that there will be a recommendation to both cities for consideration and a decision on Step 1 and 2 by January 2012, and Steps 3 and 4 by sometime in the fourth quarter of the FY 2012.

### **RELATED CITY POLICIES**

City of Eugene Goal #1: Safe community

City of Eugene Goal #5: Fair, stable, and adequate financial resources

### **COUNCIL OPTIONS**

This is an information only item to provide an informational update about the fire service merger initiative.

### **CITY MANAGER'S RECOMMENDATION**

NONE: This is an informational work session only.

### **SUGGESTED MOTION**

NONE: This is an informational work session only.

### **ATTACHMENTS**

A. Briefing Memorandum.

B. Metro Fire Organizational Chart

### **FOR MORE INFORMATION**

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## MEMORANDUM

**Date:** October 19, 2011

**To:** Mayor and City Council

**From:** Randall B. Groves, Chief of Department

**Subject:** **EUGENE-SPRINGFIELD FIRE SERVICE MERGER UPDATE**

Since July 1, 2010, Springfield and Eugene Fire Departments have operated under an intergovernmental agreement (IGA) between the two cities to share the services of certain key administrative positions in both departments. In June, this agreement was been extended through June of 2012.

The primary benefit of a functional consolidation is that it permits both cities to share savings resulting from eliminating redundant resources, taking advantage of existing vacancies of key personnel. Meanwhile, service levels are being maintained or improved as a result of joint efficiencies. The table below reflects savings realized in FY11.

FISCAL YEAR 2011 FIRE DEPARTMENT EXPENSE REDUCTIONS			
Agency	Position	Savings	Functional Consolidation (FC) / Staff Reduction (SR)
Springfield	Fire Chief	\$157,952	FC
Springfield	Emergency Medical Services Officer	\$115,000	FC
Springfield	Joint Recruit Academy	\$14,000	FC
Eugene	Fire Marshal **	\$125,817	FC
Eugene	Training Chief	\$125,817	FC
Eugene	Admin Specialist, Sr.	\$68,413	FC
<b>Total</b>		<b>\$606,999</b>	

In FY11, annualized savings of \$606,999 were achieved through the functional consolidation, with Eugene's share being \$320,047. This amount exceeded projections which were set at \$562,000. Projected annualized savings for FY12 are at \$876,239 with Eugene savings at \$462,631. FY12 projections include both savings from shared positions and staff reductions to meet budget targets. The impact of the support staff reductions was partially mitigated due to the functional consolidation efforts and our ability to reassign work.

FISCAL YEAR 2012 FIRE DEPARTMENT EXPENSE REDUCTIONS			
Agency	Position	Savings	Functional Consolidation (FC) / Staff Reduction (SR)
Springfield	Fire Chief	\$157,952	FC
Springfield	Senior Management Analyst	\$106,182	SR
Springfield	Program Technician	\$46,789	SR
Springfield	Program Technician	\$55,896	SR
Springfield	Clerk 2	\$46,789	SR
Eugene	Fire Marshal**	\$128,081	FC
Eugene	Training Chief	\$128,081	FC
Eugene	Admin Specialist, Sr.	\$69,644	FC
Eugene	Deputy Chief	\$136,825	FC
<b>Total</b>		<b>\$876,239</b>	
Functional Consolidation		\$620,583	
Staff/Budget Reduction		\$255,656	

To date in FY12, several significant steps have been taken to create a more efficient joint organization:

- Memorandum of Understanding (MOU) signed with IAFF Local 1395 on 8/9/11; which allows merging of fire prevention and fire investigation programs with employees from Eugene and Springfield participating in work for both cities from a single fire prevention system. MOU ends 6/30/2012, but may be modified or extended by mutual consent.
- In September 2011, a Battalion Chief from Springfield and District Chief from Eugene were re-assigned as BC/DC of different battalions, now serving in the other city. This will provide shift managers hands-on, day-to-day experience in another battalion/city and the opportunity to further share knowledge and processes across the metro system.
- Management personnel from both cities met in sessions with Karen Ray & Associates on August 1<sup>st</sup> and 2<sup>nd</sup>, with joint breakout sessions for Human Resources, Information Technologies, and Finance. Subgroups are currently analyzing the options for providing joint central services to a fully merged organization. Reports due in mid-November 2011.
- Following the signing of an additional IGA between the two City Managers, the first joint firefighter/paramedic recruitment and selection process has begun. The job posting closed on 10/7/11. Screening and testing will then begin for slots in the upcoming joint



Firefighter Recruit Academy (January 2012). This will be the second joint Firefighter Recruit Academy, and will significantly reduce recruitment, selection, and training costs for both cities, while capitalizing on the expertise, facilities, and knowledge of the joint Training staff.

- In October 2011, city management from both cities along with Human Resources managers and the Fire Chief met with both local fire unions to discuss the process for assessing the cost of a merged contract. City finance staffs are currently costing out both contracts and will be meeting with labor this month to discuss the prospects of a merged contract. If successful, this step will help inform a decision as to whether or not to proceed with a full merger. The successful merging of the two contracts will also allow the department to move firefighters back and forth between the two cities creating additional efficiencies.

Next steps, throughout FY12, include:

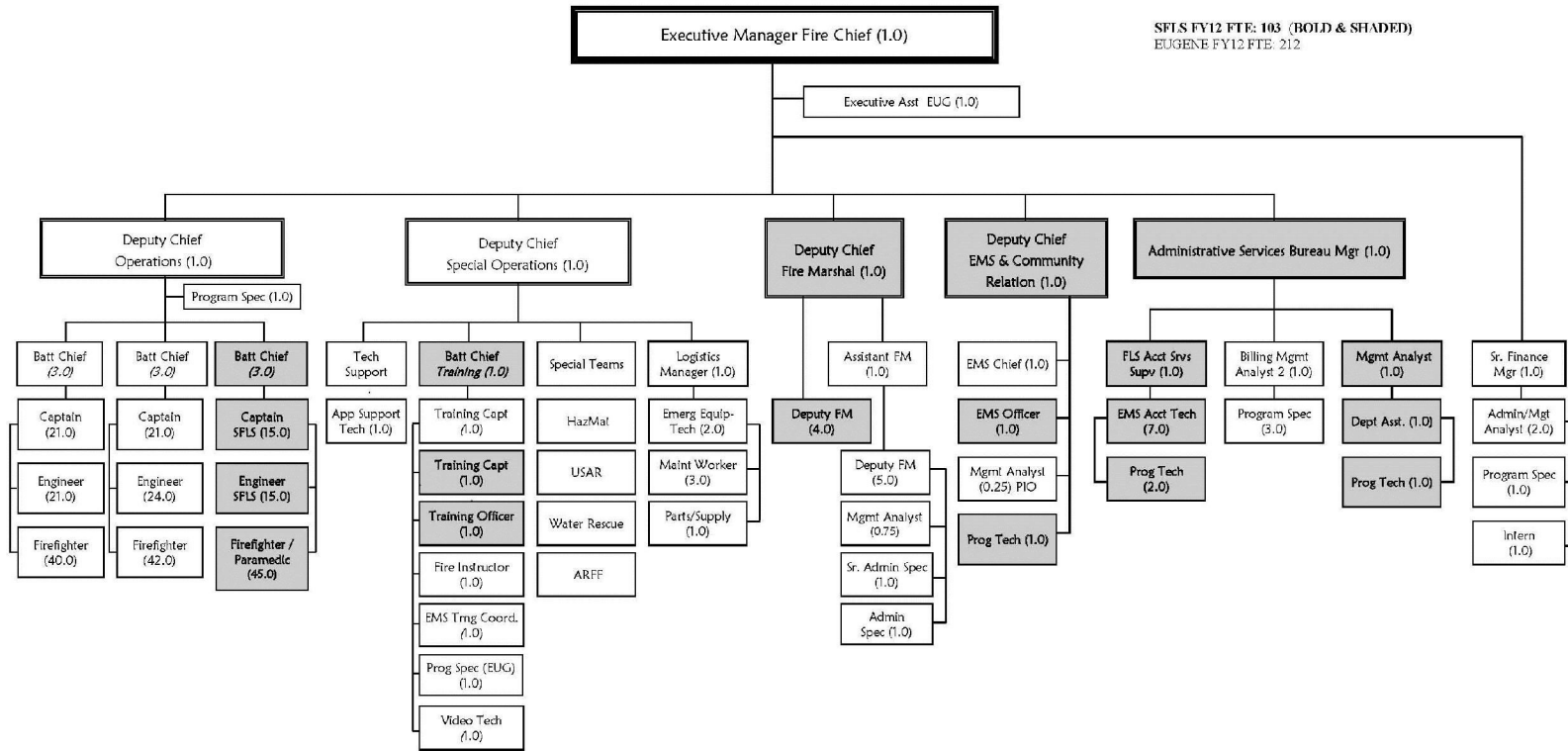
- Evaluate cost of a merged contract, and negotiate with labor to determine if feasible. Possibly employ consultant to help to develop an integration plan.
- Purchasing and implement an integrated Records Management System (RMS); The Request for Proposal closed 9/20/11 and proposals are currently being reviewed. This new system will provide consistent data for reporting and analysis currently not available in either city. An RMS is needed in each city with, or without the merger.
- Joint Human Resources, Information Technology and Finance groups will deliver their analyses and recommendations to City Managers/City Councils before FY13 budget season, so information may be considered in budget preparation.
- Joint Apparatus Committee will finish development of a joint specification on ambulances (Medic Units); Eugene Fire seeks to purchase several ambulances this fiscal year, and a joint-spec Request for Proposal is expected to be out this winter. This would standardize the type, style, equipment, etc. on future ambulance purchases in Eugene-Springfield.
- Formation of a Joint EMS Committee charged with standardizing all EMS supplies and equipment across the 3-Battalion System. Joint purchasing, storage and distribution options will also be examined.
- Continue to work with labor unions, Councils/JEO on future vision for the department.

As discussed before, managers in shared positions are still doing double-duty. The events of the past 15-months, with the transition to a functional consolidation, and continued evolution of the organization, have affected everyone in both organizations. An incremental approach to the merger has permitted both cities time to evaluate the feasibility of continued efforts. A number of efficiencies have been realized, with significant cost savings provided to both organizations. At the same time, a clear decision and long-term direction for both organizations is needed soon.





# Eugene and Springfield Fire Departments IGA Organizational Chart



Updated July 26, 2011