

A Blueprint for Shared Services

Governor's
Fire and Rescue Shared Services
Task Force

2010



2010



Task Force

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EXECUTIVE ORDER 09-13

PROVIDING FOR THE GOVERNOR'S TASK FORCE ON A SHARED SERVICES APPROACH TO FIRE AND RESCUE SERVICES IN MINNESOTA

I, TIM PAWLENTY, GOVERNOR OF THE STATE OF MINNESOTA, by virtue of the authority vested in me by the Constitution and applicable state laws, including Minnesota Statutes 2009, Sections 12.21, Subdivision 3 and 15.0593, do hereby issue this executive order:

WHEREAS, the providing of fire and rescue services in the protection of lives and property is a primary function of government; and

WHEREAS, while this vital public safety function is performed by local governments, considerable potential exists for increased efficiency, effectiveness, and cost-savings by voluntary and cooperative shared services models; and

WHEREAS, recent creation of several shared services fire and rescue districts in different parts of the state demonstrates the interest and need to increase efficiency; and

WHEREAS, additional and alternate models for shared fire and rescue services warrant discussion, as do issues of governance, funding, liability, pensions, procurement, and related topics; and

WHEREAS, the Commissioner of Public Safety, through the Fire Marshal Division of the Department of Public Safety, has extensive existing relationships, statewide jurisdiction, and substantial statutory duties related to the fire and rescue services of Minnesota and so is ideally-suited to convene such a group.

NOW, THEREFORE, I hereby declare that:

- 1. The Governor's Task Force on a Shared Services Approach to Fire and Rescue Services ("Fire and Rescue Shared Services Task Force") is created.*
 - a. The Fire and Rescue Shared Services Task Force will include multi-jurisdictional and multi-disciplinary members:*
 - i. The Commissioner of the Department of Public Safety, or designee;*
 - ii. The State Fire Marshal;*
 - iii. Two fire chiefs from existing fire and rescue shared services districts that have differing cooperative governance models selected by the Minnesota State Fire Chiefs Association;*
 - iv. A representative of the Minnesota State Fire Chiefs Association;*
 - v. A representative of the Minnesota State Fire Department Association;*
 - vi. A representative of the Minnesota Professional Fire Fighters organization;*
 - vii. A representative from or chosen by the League of Minnesota Cities;*
 - viii. A representative from or chosen by the Association of Minnesota Counties;*
 - ix. A representative from or chosen by the Minnesota Association of Townships;*

- b. The Commissioner of Public Safety or his designee will lead the Fire and Rescue Shared Services Task Force.*
 - c. Members of the Task Force will serve on a voluntary basis and are not eligible for per-diem or payment of expenses. This provision does not preclude individuals who serve on the Task Force as part of their work assignment from receiving their regular compensation and payment of expenses from their employer.*
 - d. The Commissioner of Public Safety will provide administrative and staff support to the Task Force.*
- 2. By December 31, 2010, the Fire and Rescue Shared Services Task Force will investigate issues and the comparative benefit attendant to different models for shared fire and rescue service delivery. Topics to be specifically addressed include implications and recommendations related to:*
 - a. Governance of regional fire and rescue shared services districts that takes into account geographic area, population density, and other factors and that encourage voluntary participation of communities and service providers;*
 - b. Funding sources for operations of the service district, cooperative training among component departments, and equipment procurement;*
 - c. Efficiency and effectiveness of emergency response and overall benefit to the population served;*
 - d. Employment issues associated with combining existing agencies and entities into a regional or multi-jurisdictional shared services entity;*
 - e. An analysis of best practices in the creation and functioning of public safety-related shared services delivery models;*
 - f. A preliminary set of operating procedures for cooperative shared fire and rescue service systems.*

Pursuant to Minnesota Statutes 2009, Section 4.035, Subdivision 2, this Order shall be effective fifteen (15) days after publication in the State Register and filing with the Secretary of State and shall remain in effect until rescinded by proper authority or it expires in accordance with Minnesota Statutes 2009, 4.035, Subdivision 3.

IN TESTIMONY WHEREOF, I have set my hand this 4th day of December, 2009.

GOVERNOR'S FIRE AND RESCUE SHARED SERVICES TASK FORCE

Members

- Michael Campion – Commissioner, Department of Public Safety
- Mark Shields – Chair, Department of Public Safety
- Jerry Rosendahl – State Fire Marshall
- Randy Polzin – Chief, Isanti Fire District representing the Minnesota State Fire Chiefs Association
- George Esbensen – Chief, Eden Prairie Fire Department representing the Minnesota State Fire Chiefs Association
- Bill Mund – Chief, St. Cloud Fire Department representing the Minnesota State Fire Chiefs Association
- Dan Winkel – President, Minnesota State Fire Department Association
- Tom Thornberg – President, Minnesota Professional Fire Fighters
- Ted Vanderbeek* – Secretary/Treasurer, Minnesota Professional Fire Fighters
- Brian Fritsinger – City Administrator, City of Cloquet representing League of Minnesota Cities
- Jamie Verbrugge* – City Manager, City of Brooklyn Park representing League of Minnesota Cities
- Randy Maluchnik – Commissioner, Carver County representing Association of Minnesota Counties
- Eric Hedtke – Attorney, Minnesota Association of Townships

* Denotes alternate

Department of Public Safety

- Michael Campion, Commissioner
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Copies of This Report

Copies of this report, will be made available on the DPS website at <http://www.dps.state.mn.us>

ACKNOWLEDGMENTS

The Governor's Fire and Rescue Shared Services Task Force and the Commissioner of Public Safety are indebted to the following individuals for their valuable input, advice and feedback:

- O.J. Doyle – Minnesota Ambulance Association
- John Ehret – Chief, South Metro Fire
- Dan Greensweig – Assistant Administrator of Trusts, League of Minnesota Cities
- Buck McAlpin – Legislative Affairs, North Memorial Medical Center
- Scott Nelson – Chief, Lakeville Fire (Ret.)
- Bruce Roed – Chief, Polk County Fire
- Scott Simmons – Acting Co-Executive Director, Association of Minnesota Counties
- Bill Snoke – Director, Office of EMS, Allina Hospitals and Clinics
- Casey Stotts – Deputy State Fire Marshal

Special thanks to task force member George Esbensen for his introductory comments for Chapters 1 and 2

Special thanks to Lakeville Fire Chief (Ret.) Scott Nelson for his Text Book Recommendation/Summary

The task force also wishes to express its appreciation to Jack Snook, President, and COO of Emergency Service Consulting International for taking the time to present to the Task Force, as well as granting us generous permission to republish the Introduction to the book, "Making the Pieces Fit", which he co-authored.

And finally, the task force wishes to provide special recognition to Mr. Joel Paylor of the Minnesota Department of Public Safety. Joel served as our principal "architect" for the guidebook, working tirelessly while displaying his unique talents and a true dedication to the project.

LETTER FROM THE COMMISSIONER TO LOCAL ELECTED OFFICIALS AND FIRE CHIEFS

October 1, 2010

Dear Elected Public Officials and Fire Service Professionals:

An emergency occurs in your community and lives are at risk. You are a policy-maker responsible for the emergency response. In the heat of the crisis, your community looks to you for help, counts on you to make the right decisions and, ultimately, judges you based on the quality and efficiency of the response.

Most calls to the fire service must be handled by professionals using the best equipment and training available. Yet, cuts in local budgets and increasing costs are quickly forcing change and, at the same time, creating immediate opportunities.

One such opportunity exists by sharing fire and rescue services. There are several fire and rescue shared service models which are already in place in several Minnesota communities. The goals of these shared service models are to enhance the quality of the fire service, leverage acquisition of the latest equipment and training, and reduce operational costs in the near future. As budget forecasts remain uncertain, it is urgent these goals are achieved.

At the state level, a decision was made – and the process is already underway - to assist the fire service industry in researching the topic of shared services. There was no mandate to consolidate; it was a decision to identify and collect examples of the most efficient ways to deliver high-quality service from all models of shared services.

This guidebook is intended to serve as a “primer” on the various shared service models available to the fire service industry. It is designed for the non-technical public policy-maker faced with answering the question, “Should my fellow public officials and I consider one of the shared service models with neighboring cities and townships?”

That question and its response have become a national issue. And while there are no mandates in Minnesota, the time seems appropriate for you to discuss this issue and determine if a shared service model meets your communities’ needs. Ultimately, the decision rests with you and your colleagues.

We know it may not be an easy decision in your community. That is why we, along with a group of county and municipal representatives, fire chiefs and fire service professionals, thought it would be useful to provide basic information to assist you in making informed decisions.

In addition to the guide, I am making staff available from the State Fire Marshal’s Office to answer your questions. For assistance, contact State Fire Marshal Jerry Rosendahl at 651-201-7201 or Jerry.Rosendahl@state.mn.us.

Thank you for your consideration of this important issue. The choices you face today and the decisions you make tomorrow will impact your community well into the future. I hope your community and emergency response officials will reach a consensus on the best manner in which to proceed.

Sincerely,



Michael Campion

Commissioner, Department of Public Safety

LETTER FROM COMMISSIONER TO GOVERNOR

October 1, 2010

The Honorable Tim Pawlenty
Office of the Governor
130 State Capitol
St. Paul, MN, 55155

Dear Governor Pawlenty:

The Governor's Fire and Rescue Shared Services Task Force has completed its work as prescribed in your Executive Order signed December 4, 2009. I am pleased to inform you that the project completed ahead of schedule, and from my perspective, was quite successful.

The Task Force recognized from the inception that their charge was primarily twofold: (a) identify and make available to local elected officials useful information on the topic of shared fire services: and, (b) encourage interested local decision makers to engage in a review of various recognized models of sharing fire resources. The Task Force discovered, as one might expect, that local elected officials and their fire chiefs know only too well that in today's economic climate all options need to be on the table.

Additionally, the Task Force believes that making available grant funds to assist local units of government with the costs associated with a feasibility study is critical. To that end, a funding source was identified, a pilot program established, and a jump starting of shared services reviews is currently underway by strategically identified local units of government. The Task Force understood from the onset of the project that decisions concerning the sharing, merging, or consolidating of services are local decisions to be made by elected officials.

A guidebook of useful information including a listing of steps required to rigorously explore shared services has been created by the Task Force and is now available to all local units of government. The reader will find relevant case studies of several local Minnesota governments who have already experienced methods of sharing fire services. Finally, the Task Force recommended a quality text book to assist local decision makers who may not have previously ventured into this subject matter area.

The Task Force made a great deal of progress in the past year towards balancing the needs of public safety with the realities of these challenging times.

Thank you for your support with this worthwhile project.

Sincerely,



Michael Campion

Commissioner, Department of Public Safety

PREFACE

TEXT BOOK RECOMMENDATION/SUMMARY

Government is changing.

As public funds diminish and competition for existing local tax dollars increase, many emergency services organizations are looking for alternative solutions to budget shortfalls. Local units of government have been adopting what their corporate counterparts have been doing for years; focusing upon reduced costs while maintaining or increasing service to the people they serve. In some cases, this means completely re-engineering how municipal services are delivered.

For many, a viable option is to engage in cooperative service with neighboring jurisdictions.

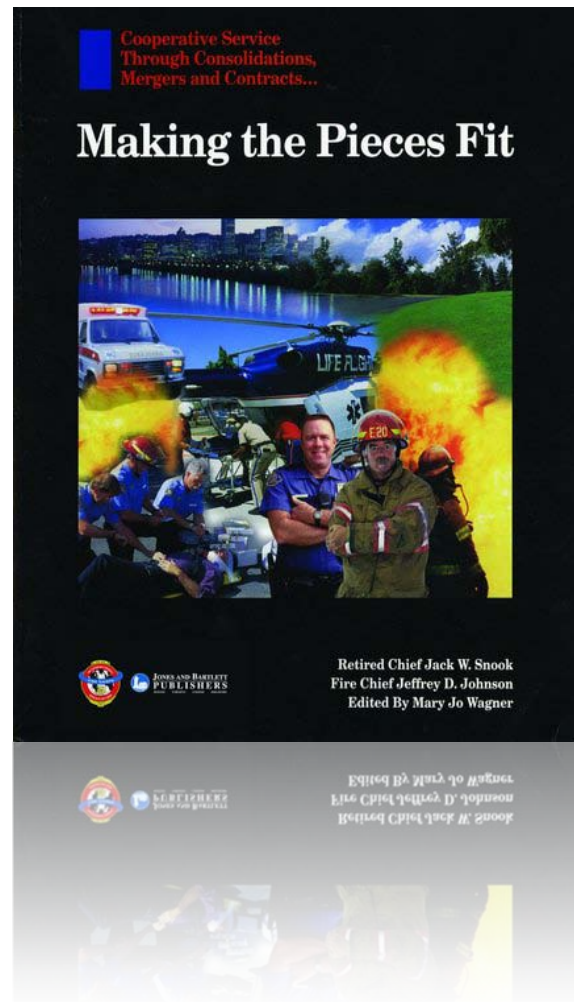
"Making the Pieces Fit" is a dynamic and informative book that helps fire service leaders, city administrators and elected officials sharpen their focus on a variety of methods to accomplish this task.

The authors, Chiefs Jack Snook and Jeffrey Johnson, offer a variety of insights and relevant case studies for managing and even embracing the concept of shared fire services while illustrating some of the pitfalls and dangers to look out for when guiding this initiative.

"Making the Pieces Fit" explores questions such as: Why cooperative service?...What are the options?... What are the short and long-term benefits?... What are the risks?... Where would savings most likely occur?... and many others.

In the changing world of local government, fire service leaders are given a choice: become champions of change for their department or attempt to maintain the status quo. Both choices involve risk. For the champions, *"Making the Pieces Fit"* offers a good starting point to research and perhaps expand on what many departments have been doing for years; sharing services.

Although there are certainly other texts available in the marketplace, the Task Force found *"Making the Pieces Fit"* to be a great source of knowledge. While we cannot supply the full text, with permission from the author, we are including the introduction from his text in this guidebook.



INTRODUCTION FROM “MAKING THE PIECES FIT”

"It is hard to fail, but it is worse never to have tried to succeed. In this life we get nothing save by effort."

- Theodore Roosevelt

Over ten years ago, it became apparent that three fire departments in the Portland, Oregon area were mirrors of one another. Although each department was strong and viable in its own right, the amount of duplication in apparatus, staffing and equipment among the three was substantial. Some functions were not just duplicated, they were "triplicated." Multiple hazardous materials teams were being formed, trained and certified; duplicate vehicles were being purchased and put into service; duplicate apparatus maintenance shops were being constructed, equipped and staffed. It was becoming more and more obvious to those involved that there was a problem.

However, as is so often the case with many departments in similar situations, it took some time between recognizing the duplicative efforts among the three and agreeing to resolve the problem. In fact, it was four years of sometimes heated debate before all the players involved - fire chiefs, elected officials, union representatives, staff and the citizens - mutually agreed to merge the three departments. Today, that merged department is known as Tualatin Valley Fire and Rescue (TVF&R). Like many cooperative efforts, it started out with a simple phone call from one fire chief to another. The request? "Let's have coffee and talk."

The TVF&R merger was not only significant for the citizens the departments served - it improved the services and service levels while reducing the tax rate by over 50 percent - it was the catalyst that helped sculpt our beliefs in the benefit of cooperative service.

The many calls of inquiry and encouragement we received after successfully merging led us to become students of mergers and consolidations and to document our experience in an effort to aid our colleagues. As local governments nationwide have continued to look at alternatives, we've heard from an increasing number of our peers who are entertaining the idea of cooperative service. They feel like they're on the edge of an abyss and they wonder if they should jump in or hold tight to firm, familiar ground.

Indeed, the thought of consolidating or merging the fire department you've called "your department" for years can cause tremendous anxiety. Cooperative service spells fear for many fire departments and elected officials, fear of the future, fear of losing identity and fear of losing control. It's a break from tradition in an industry where the only welcome form of progression is generally in the apparatus and equipment.

We've seen the power of cooperative effort. We've personally witnessed it in our own department. And we've personally witnessed it in the over 60 departments where we've helped establish strategic alliances, in nearly every state in the union.

That's why we bring this book to you. We want to demystify the enigma surrounding consolidations, contracts and mergers and to help you understand the benefits of working with your neighboring department(s). There are many reasons or motives for considering some type of cooperative effort or

strategic alliance with neighboring departments. Most organizations that have gone through the process would list reduced funding, mandates by the public, elected officials' and fire chiefs' desires to look at options, and a specific situation or opportunity as the primary catalysts that lead fire service leaders down the cooperative service path.

Throughout this book you will be introduced to fire chiefs who offer their cooperative service stories to you. Some of the cases are successes, some are failures. But they are all of value in the sense that these fire service leaders asked the question and attempted to better their departments. For that, they deserve applause. In some cases, an historic failure may serve to provide another organization with valuable information which will help achieve future success. With that success may come: increased efficiency; improved effectiveness; enhanced or expanded service(s); reduced costs; cost avoidance; coordination of regional planning; elimination of artificial boundaries; standardization of services and programs; and a potentially reduced Insurance Service Office (ISO) rating for a department.

Even with all the positives to consider, there are situations or circumstances that may stand in the way of achieving successful cooperative efforts. These include fear of losing control; poor communication; turf issues; politics; timing; the diversity of organizations; cultures; and internal or external sabotage.

Hopefully, the materials contained in this book will help answer some of your questions and provide you with valuable information and guidance. The book should also assist you in determining if you and your neighboring fire department(s) are viable candidates for some sort of cooperative effort. It will outline a proven process which can be followed. It will help identify "pitfalls" to look out for, as well as "keys to success." In addition, the book contains numerous case studies which you will be able to relate to and model after. The case studies are well documented and provide insight on the "lessons learned" and "coaching tips" from your colleagues who've gone before you. Sample documents and forms are also included to assist in "getting through the process."

This book will also delve into why the cooperative service trend has been spreading across the nation, and why it will continue. Historically, reduced public funding has pushed many fire service leaders to look critically at their own departments and has often led to strategic alliances between two or more agencies. Today, tighter-fisted taxpayers and shrinking funds are still predominant trends in the public sector. Administrators must investigate alternatives which may provide the advantage necessary not only to survive, but to take the organization and the communities served to a level never before deemed possible utilizing a traditional approach. The old cliché, "If it's not broke, don't fix it," no longer applies in today's working environment.

The fire department, for all practical purposes, sells only one product: service. As public servants, we must continually seek out ways to supply a high-quality product at either the same cost or reduced cost. We owe it to our customers. The formation of strategic alliances between fire departments is not only a way to cope with the current environment, but is a way to provide an efficient and effective means to deliver service quicker, better and possibly even cheaper. Those individuals who can look past personal agendas, comfort zones and internal or external pressures will ultimately adopt solutions that not only address, but also guarantee that the needs of the citizens served are met.

The Tualatin merger is considered an American success story in the fire service. Indeed, those ten long years of sweat have become sweet.

Is some form of cooperative effort a possibility for your organization? Only you hold the answer to that. But if you and your organization are to survive and prosper, you cannot settle for status quo or even incremental improvements. You have to forget about tinkering with organizational charts, policies or machinery, You have to challenge and sometimes abandon paradigms, basic assumptions or even systems that have been successful in the past. The rules have changed and so has the environment. You've got to change with it. Hopefully, this book will help you and your organization establish a plan that will serve your community well and ensure your "success."

CHAPTER 1: A WORD ABOUT SHARED SERVICES

It is believed that in 1736, Philadelphia established the country's first fire department, Union Volunteer Company, organized by Benjamin Franklin. The fire service was not without its share of distinguished members; they included John Hancock, Samuel Adams, George Washington, Paul Revere, Alexander Hamilton, and others. Since these early days, the fire service has struggled with how to balance the demands of the mission with the resources available.

Today's fire service has evolved to cover a wide array of emergency situations, from fires to hazardous materials incidents, low and high angle rescue, medical emergencies, car crashes and many more. One of the most critical issues of today is how to best provide this vast array of services in an environment of changing demographics, high expectations from fire service customers and a volatile economy.

More and more fire service organizations are looking at ways to share critical services with one another in order to address the critical barriers to continued service delivery. Sharing services does not necessarily mean a full out merger of two or more organizations. Sharing services does not necessarily mean a reduction in costs, either in capital or operating expenses.

What sharing services should mean is an overall improvement in the level of service desired by citizens of a particular jurisdiction. History has shown that sharing services works best when all parties agree on the mission and have a cooperative spirit entering the relationship. Forcing a shared services model can have long lasting negative impacts and should be avoided if, at all, possible.

"Why consider Shared Services?"

Agencies consider shared services for a number of reasons. Commonly cited are:

- Service level improvements – The single most important reason to consider shared services.
- Individual agencies are facing challenges in recruitment, hiring and retention of firefighters.
- A declining applicant pool, combined with a "graying" of the fire service workforce, often results in a lack of sufficient staffing levels.
- Anecdotal comments from fire chiefs statewide echo a familiar refrain... "There are not enough young people prepared to commit to years of community service."
- Another primary reason cited for shared services (particularly in consolidations of departments) is cost savings. While cost savings are possible, two points are critical.
 - First, not all consolidations result in cost savings. A common misconception is that consolidations normally involve large staff reductions. That is usually not the case. The real cost savings come from the elimination of redundant equipment, and expensive technology items.
 - Second, in those scenarios where cost savings are achievable, the actual realization of the savings may not occur for several years.

Six Most Common Types of Shared Service Models

- *Administrative* – Two or more fire departments maintain separate operations while some administrative/staff functions are combined.
- *Partial* – Each department remains legally separate, but groups from each perform special functions. (e.g. Sharing and staffing a fire station; developing a jointly owned training facility; creating Joint Powers Agreements in order to facilitate beneficial purchasing arrangements, or owning capital infrastructure such as radios, SCBA, or turnout gear.)
- *Functional* – Legally separate but perform as if one department. (Examples: Combined dispatch; combined training; standardized on-scene protocols.)
- *Operational* – Remain legally separate but join admin and operations and delivery of services is performed as if one department.
- *Selected Geographical* – Often found in large cities, departments combine in low-incident areas.
- *Full* – Two agencies completely merging into one, single, legal agency.

“What is the Shared Service Process?”

- Identifying a Champion – Successful examples of shared services models usually have one trait in common, a well-respected champion to spearhead the process from beginning to end.
- Interest Building – A process of developing interest in sharing services among decision-makers and stakeholders. If enough interest exists, the process moves to the next phase of conducting a feasibility study.
- Feasibility Study – A comprehensive study that...
 - Benchmarks existing fire services by examining a wide variety of issues. These issues include staffing, budget, technology, political environment, and facilities.
 - Determines if shared services make sense from a service level, political, technological, and financial perspective.
 - Makes recommendations for shared service models, governance, funding, staffing, technology, and facilities.
- Planning Phase – Decisions regarding participation, funding formulas, organizational structure, governance model, and human resources issues occur in this phase.
- Implementation/Transition Phase – Activating the newly agreed upon shared service model.
- Post-Shared Phase – This is the time immediately after activation of the newly shared services. Service and technology issues are common during this phase. These issues are not usually indicative of the success of the shared service model. Keeping these issues in proper perspective is vital.

CHAPTER 2: SHARED SERVICE MODELS IN ACTION

(Minnesota's Experiences with Shared Services)

The fire service has a long history of finding ways to share services and provide effective and cost conscious solutions. The next several pages contain just a few examples of the six shared services models outlined in chapter 1. The examples provided are presented as case studies to learn from, and by no means intended to empirically define the only methods of sharing services.

It is a common thread that in order for shared service models to be successful there has to be organizational and political buy-in from all the involved parties. Even with complete agreement as a backdrop, there will be significant issues to overcome collectively.

Listed below are the examples that this task force had the benefit of studying. As mentioned previously there are, no doubt, many other examples worthy of mentioning. Minnesota examples highlighted are:

Department Name	Shared Service Model
Cloquet Area Fire District	Full
South Metro Fire Department	Full
St. Cloud Fire Department	Full
Isanti Fire District	Partial (Fire District Under JPA)
Eden Prairie Fire Department	Partial/Functional
Polk County Fire Chief	Administrative

It is the hope of the task force members that the examples presented in this book serve as a launching point for jurisdictions considering some sort of shared services model. All parties connected with these examples are ready and willing to share their insights into their specific process in order that lessons learned will not need to be re-learned, and to ensure that subsequent processes can flow as smoothly as possible.

Keep in mind as you read these examples, that only with willing partners can these kinds of shared services models be successful. If your jurisdiction is considering a shared services model, be sure a foundation of strong existing relationships is in place before a shared services model is attempted.

CLOQUET AREA FIRE DISTRICT (DISTRICT WITH TAXING AUTHORITY)

Objective

Share fire and rescue services between the City of Cloquet and neighboring cities and townships to alleviate burden brought on by new budget constraints and challenges of daytime response.

Players

Carlton County
City of Carlton
City of Cloquet
Fond du Lac Indian Reservation
Perch Lake Township
City of Scanlon
Thomson Township
City of Wrenshall



Result

Two of the initial parties (Cloquet and Perch Lake) agreed to a Joint Powers Agreement. The other parties initially declined to move on shared services, but are still open to future agreements and have come back to the table to explore opportunities further. (Scanlon and Fond du Lac have also recently authorized membership beginning January 1, 2011.)

Date Effective

January 1, 2009 – JPA entered

January 1, 2010 – District Taxing Authority enacted

Summary

The City of Cloquet, Minnesota, its neighboring cities and surrounding townships, began their shared services discussion in 2003 because of budget LGA cuts and 2000 Medicare ambulance reimbursement reductions. Two years were needed to convince all parties of the challenges being faced by our communities and need to study such challenges. Consultant (ESCI) hired to do one-year study of Carlton County fire, rescue and ambulance services. Northeast Carlton County communities reached general agreement to move forward with consolidation discussions. Meetings held from May, 2007 – May, 2008 to discuss details and move toward final agreement. “Big Picture” discussion fell apart after some of the participants expressed concerns about the cost. The City of Cloquet and Perch Lake Township continued talks and set up a Joint Powers Agreement in 2009. Legislation for a new Fire District passed that same year to aid in funding.

Specifics

- Fire protection for the Cloquet area is historically full-time professional (since the late 1800's)
- Other smaller and more rural areas surrounding Cloquet are served by volunteer departments
- Community supports that style of firefighting due to prevalence of wood industries, manufacturing, and woodlands
- The area was devastated by large forest fire in 1918 that destroyed most of Carlton County... as a result, there is a historical support for firefighters, both professional and volunteer
- Challenges have always existed in the working relationships between the departments within Carlton County because of the full-time/volunteer status
- Volunteer departments viewed Cloquet as the big bully on the street trying to take over and own everything. Cloquet viewed Volunteer departments as less trained and inexperienced (Plenty of ego, pride and lack of trust on both sides!)
- Ambulance service is provided by both the City of Carlton and City of Cloquet (5 miles apart)
 - Cloquet provides Advanced Life Support and Carlton BLS ambulance protection
 - These two departments cover 261 square miles and 160 square miles respectively
 - This coverage area also carries into a portion of St. Louis County
- In 2003, the State of Minnesota cut Local Government Aid and the impacts of the 2000 Medicare Reduction Act took effect
- Cloquet contacted elected officials in Scanlon, Carlton, Thomson Township, Carlton County, and the Fond du Lac tribal community, and began meeting regularly to discuss areas of service where the communities might be able to work cooperatively (including fire service)
- While the elected officials were willing to take on shared services in many areas of local government, it was very difficult to make any movement in the area of fire service
 - Once the elected officials left the meetings and spoke with their Fire Chiefs, independently, all progress was lost
 - It became evident that a neutral party needed to step in and take the difficult role as facilitator to get all of the agencies to see the strengths and weaknesses of the combined system
- In 2005, Carlton County, as the responsible party for county emergency management agreed to become the lead agency/neutral party to study the issue
 - This independent role allowed the process to move forward in spite of the ego/trust issues

- The County engaged and included all service providers within the County including Cromwell, Kettle River, Mahtowa, Moose Lake, Wright, Barnum and Blackhoof
- A study analyzed each department's capabilities, response times, and history as well as system demand projections
- Barriers were still built throughout this process – communities would not return calls to the consultant, not provide information, or provide incorrect information
- In June, 2006, After one year of effort, the study was finalized
 - It identified future delivery system models
 - It also made 8 optional recommendations
- The Study found that the county was experiencing an increasing number of fire department responses.
 - In comparison to communities of its size, Carlton County is well above the median range of incident volume per population for similar communities
 - Although fire incidents had remained relatively stable, Emergency medical calls were increasing
 - Further, the analysis of the system-wide performance and outcomes revealed that the system was not capable of providing consistent levels of effective services (particularly in critical life threatening medical emergencies), based upon:
 - Poor resource allocation and location
 - Manpower and staffing constraints
 - Lack of system-wide planning and coordination
 - Inadequate EMS system finding
 - Results were received with mixed reactions from city, township, department, and individuals
- A "What now?" phase arose after study when initial report created friction over how observations were perceived
 - Rather than seeing the study as an objective third party analysis with opportunities, many departments saw the results as a challenge to the status quo and argued with the findings (One community felt the study was unfair because it identified out of date fire extinguishers and non-functioning exit lights as problems)
- The Northeast Carlton County communities of Cloquet, Scanlon, Carlton, Wrenshall, Perch Lake Township, and Thomson Township (with Fond Du Lac Indian Reservation included in mix) agreed to move forward with discussions and held a 2-day retreat with ECSI
 - Fire chiefs, and elected officials from each community participated to try to come to a consensus on future plans

- Very positive discussion resulted in a “lukewarm” agreement to move toward shared services/consolidation
- The project’s stakeholders found it difficult to keep everyone’s focus on the task at hand
 - Mayors were worried about re-election
 - Fire Chiefs were worried about their positions
- Officials, chiefs, and firefighters were invited to a series of meetings over the next year (March 2007— May 2008) held within each community to try to avoid any perceptions of control
- Fond du Lac opted at this point to hire ESCI to study its own needs, which covered the full reservation and crossed into St. Louis County

The working dynamic for the meetings was very interesting... Discussions taking place in the room were very positive, but the message seemed to change during outside discussion

- Inside the room, all were working towards the solution
 - Outside the room, many would fall back to the “what’s in it for me?” philosophy
 - This motivation change allowed history, turf, community pride, fear of job loss, personality conflicts, hidden agendas, power, control, and lack of communication take over and caused some stakeholders to withdraw from the conversation
- Individuals on all sides were eager to jump right to the bottom line... “What’s this going to cost me?”
- Inaccurate numbers began to surface and the public started to talk. This proved to be the “Implosion Point” for the full-group discussion
- Most of the involved parties were hesitant to commit to the proposed consolidation agreement, and chose to step back
- Cloquet and Perch Lake continued informal talks until September of 2008 at which time the Cloquet Area Fire Committee started the formal process of moving towards a unified delivery system for the provision of Fire, Rescue, and Emergency Services (including Paramedic (ALS) services), with the adoption of an Auto-aid agreement
- With a new joint Board, the District pursued special taxing authority legislation from the State
 - No similar fire/ambulance authority in state
 - Further, with FDL inclusion, there were no examples anywhere in the country we could find to compare it to
- The special taxing authority bill passed in 2009
 - A local focus, and tribal government inclusion in planning, played a significant role in getting things passed
- 6-months of negotiations led to a Joint Powers Agreement

- A Fire District Board consisting of two representatives from the Township of Perch Lake, two representatives from the City of Cloquet, and one “at large” member oversees the operation of the district, and provides direction for the Fire Chief
- Despite the hiccups, all original parties are still interested and open to shared services down the road
- The City of Scanlon has now expressed its intention to join the district. It is the goal of the District and City to see Scanlon become a full member effective January 1, 2011... Scanlon will receive one seat on the current Board
- Fond du Lac entered into a Fire Services agreement with the District in August, 2010 as a first step towards future membership

Unique Items

- The area also includes the Fond du Lac Indian Reservation, a sovereign nation, which added another layer of legal challenge to negotiations and system development
- At one point, regional meetings included municipal, county and tribal government, along with representatives of seven fire departments in the Northeast Carlton County region
- New legislation for Fire/EMS district passed during the 2009 legislative session

Lessons Learned

Process

- Goals – Develop clear goals before you ever begin this process
- Support – Identify partners and supporters early in process (both inside and outside of the effort)
- Miscellaneous – Patience is a virtue! Be honest with everyone and be careful with your comments
- Legal considerations – Get early involvement in the project from attorneys, insurance carriers, agents, union representation, state of Minnesota, and others... It took a great deal of time and perseverance to explain how the District functioned to everyone once things got rolling
- Cost
 - Research presented to the participants advised that they avoid the “how much is this going to cost me?” questions while going through the process... Even knowing that, a number of partners opted out, midway, when they jumped ahead and focused on cost rather than operational efficiencies and long term financial savings. (They only wanted to compare their current cost with future

cost and lost the idea that new members would eventually join the district the spread the cost out, reducing the overall share.)

- The true cost to provide fire service in the community is a rude awakening for many. Often, communities bury many of the day-to-day operational costs in the broader city budgets so they do not get associated with fire operations... It is a challenging task to teach uninitiated individuals that liability insurance, workers compensation insurance, utilities, janitorial, vehicle maintenance, etc., are all costs of fire operations
- Equipment – Standardization needs to happen alongside of the elimination of redundant equipment
- Politics
 - Lack of understanding of fire operations issues by elected officials often results in deference to chiefs
 - Do not under estimate political motives... Everyone has them
 - Avoid some of these hard discussions in election years, if possible

Internally

- Combining full-time and volunteer departments is very challenging... Trying to bridge the gap of different expectations and different internal motivations is an all-encompassing process
- Do not forget about internal politics
- Staff (both full-time *and* volunteer) needs to have ownership and involvement in the process – Their attendance at meetings to listen means nothing until they are asked to help and understanding and buy-in is difficult without it
- Try to mix your people right away to cultivate a sense of team and familiarity
- Dealing with personalities is harder than developing policies
- Expect internal challenges (policies, procedures, cultures... etc.)
- Communicate, Communicate, Communicate! (Then communicate again!)

Externally

- Public reaction is an unknown – Involved parties thought they had done a great job informing the public, using newspaper articles, local press, radio, and Cable TV as

venues for getting the word out... Everyone appeared to be on board until the first tax statement came out

- You can never do enough communicating

Other

- Remember... there is no single best way to do it
- Talk to others who have done it or tried it... learn from their experiences
- Try to standardize as much as possible
- Expect to be surprised
- The new concepts of fire fighting will continue to change and evolve in the near future – this process is just a beginning
- Shared services can be a rewarding experience, but prepare for an expansive time commitment

Contact Information

To learn more about the Cloquet Fire District, please direct your inquiries to:

Brian Fritsinger	Jim Langenbrunner	Stan DeMenge
City Administrator, City of Cloquet 1307 Cloquet Avenue Cloquet, MN 55720 218-879-3347	Fire Chief, CAFD 507 Cloquet Avenue Cloquet, MN 55720 218-879-6514	Perch Lake Township Supv. 827 Salmi Road Cloquet, MN 55720 218-879-7371

<http://www.cloquetareafiredistrict.com/home/>

About Cloquet

“Established in 2009, the Cloquet Fire Department and the Perch Lake Fire Department combined resources to provide the communities they serve with a stronger, more fiscally responsible Fire and EMS agency. A reduction in the redundancy of equipment along with a structured, unified response to emergencies allows these two communities a fast, professional response with well-trained personnel.

The Cloquet Area Fire District responds to all fires, medical emergencies, rescues, and other non-emergency service calls from the public. A Fire District Board oversees 21 full time and approximately 15 paid on-call members that respond in unison to mitigate these emergencies. This multi-community agency proudly serves Northeastern Carlton County and parts of Southern St. Louis County.”

– [cloquetareafiredistrict.com](http://www.cloquetareafiredistrict.com)

SOUTH METRO FIRE DEPARTMENT (FULL CONSOLIDATION)

Objective

To create a unified fire department that could provide equal or better service for equal or less money.

Players

City of South St. Paul
City of West St. Paul

Result

A full consolidation between the city fire departments of West St. Paul and South St. Paul into the new South Metro Fire Department.

Effective Dates

Joint Powers Agreement signed October 5, 2005

Full consolidation on January 1, 2008

Summary

Budget and staffing concerns in 2003 led to preliminary talks between the two neighboring departments. A task force was assembled to begin a formal investigation of some type of merger or shared service agreement. Public input was collected and a decision was made to move forward with a joint powers agreement. The JPA proved to be successful, paving the way for a full merger in 2008.

Specifics

- 2003 Local Government Aid (LGA) cuts caused the communities to look at budget options, reductions in staffing while alarm counts continued to rise
- Mayor's Task Force called to review fire protection options and create "partnerships"
- Council members of each city, two fire chiefs, city managers, and fire fighters union were included
- "Countless" Town Hall Meetings were held to bring the issues to the public
- The message heard very loud and clear from the public was "We don't really care as long as the service remains the same or improves."



- The basic concept boiled down to “Equal or better service for equal or less money”
- October 5, 2005 signed a joint powers agreement (JPA) to begin merging South St. Paul and West St. Paul into one unit
- Parties involved weighed several types of shared services, but decided upon a full merger as the best option to improve service while reducing cost
- Jan 1, 2008 became fully operational as the South Metro Fire Department
- Department reports to a board of directors; Four board members are elected council members from the cities of West St. Paul and South St. Paul and the fifth member is a member “at large”
- Major differences in labor agreements caused delays (It took over two years to come to an agreement)
- Equipment and Training were standardized to reduce inconsistencies
- New policies and procedures were implemented for the organization
- Policy changes were driven by committees and employee input
- Diverse neighborhoods with a strong sense of community pride meant each community had to be approached/appealed to differently
- Legal issues, such as developing JPAs and contracts and making them work, presented a challenge
- “Change, in and of itself, was probably the biggest issue to work through” – Fear of the unknown, uncertain employment and just knowing what’s next
- Merger resulted in improved Fire Prevention program, Hazardous Materials Response Unit and Confined Space and Technical Rescue Unit (all with reduced costs)
- Safety was improved for fire fighters and the public
 - Before merger, first response was 2-4 fire fighters, per call
 - After merger, first response is between 8-16 fire fighters at no additional cost and occasionally a reduction in cost
- 2009 budget – department rebated \$175,000.00 from 2008’s budget and an overall budget reduction of \$199,000.00
- Improved fire coverage in 2009 – 4,877 alarms responded to (up 6%) as well as 1,200 fire prevention visits
- In 2010, South Metro rebated \$244,000.00

Unique Items

- In order to keep the neighborhoods familiar with their changing fire departments, the original station names were kept intact, and a sub-heading of South Metro Station 1, and 2 were added (e.g. “West St. Paul Station is also known as South Metro Station #1”)

Lessons Learned

- Treat everyone fairly – Balance fairness with a sound budget and public perceptions
- Merging of the firehouse cultures takes a conscious effort – it is an opportunity to create something fresh from the ground-up “Take the best and leave the rest behind.”
- Recognize the differences in each community/neighborhood – Merge the services while keeping their neighborhood identities intact
- Be aware of the big differences between efficiencies and effectiveness

Contact Information

To learn more about the South Metro Fire District, please direct your inquiries to:

John Ehret

Chief, South Metro Fire Department
1616 Humboldt Ave.
West St. Paul, MN 55118
jehret@southmetrofire.com

John Remkus

City Manager, West St. Paul
651.552.4101

About South Metro

“We cover approximately 11 square miles and a population of roughly 40,000 residents. Our district has a large number of single family and multi-family dwellings. We have diverse commercial industries, though typically limited to light industrial, retail and restaurants. The district is not a “bedroom” community; our population rises considerably during the day. We also cover two major freeways and a portion of the Mississippi River.

The department has 38 full-time employees, including a chief, assistant chief, fire marshal, 3 captains, 6 lieutenants, 4 inspector/firefighters, 21 firefighters and 1 secretary. Our suppression crews work 24-hour rotating shifts.

The Fire Department is responsible for fire suppression, EMS (including BLS transport), special operations (hazmat, technical rescue and water rescue) and fire prevention (inspections, plan review, fire investigation and public education). We respond from two stations to roughly 5,000 alarms per year of which approximately 1,300 are fire related and 3,700 are medical related. Additionally, we have several members who serve on the Dakota County Special Operations Team, Minnesota Task Force 1 and the Dakota County Incident Management Team.”

– Southmetrofire.com

ST. CLOUD FIRE DEPARTMENT (GOVERNMENT MERGER)

Objective

Complete a full government merger of the City of St. Cloud and St. Cloud Township for all facets of government, including fire services.

Players

City of St. Cloud
St. Cloud Township



Result

The City of St. Cloud, and St. Cloud Township, signed a ten-year merger agreement to officially merge the two entities into one.

Date Effective

January 1, 1996 to December 31, 2005

Summary

In the mid-1990's, the City of St. Cloud, Minnesota, and its surrounding township began discussion of a full government merger which included all levels of government. Merger groups held discussions for a year-and-a-half before laying down a final agreement. Fire services were not included in the discussion until very late in the game, resulting in complications once the merger was instituted. The merger agreement created full time and volunteer divisions. Each division had separate service districts which essentially kept the two departments separate. Issues created by this merger took years to mend. A paid on-call force was created at the end of the agreement (December 2005), but was ultimately cut by 2010 due to LGA cuts.

Specifics

- Merger groups met for about 1 ½ years
- Township voters rejected the merger, but the township board approved it anyway
- Full government merger between The City of St. Cloud and St. Cloud Township was instituted
- Effective Jan 1, 1996 – ten year merger agreement signed to merge city and townships (87 page agreement covering all aspects of government)
- The board's decision caused some issues for the fire department

- Fire Service was not consulted about the merger until late in the process
- Two separate response areas were created by the merger agreement with essentially two separate departments
 - Those with city water were covered by the full-time division
 - Those without were covered by the volunteer division
- As a result, full time division assets would not be dispatched into volunteer division areas even if they were available
- City and township fire departments had little or no previous working relationship or mutual aid experience
- Friction developed between Full and Part-time firefighters who both felt they had little control over merger
 - Monthly senior staff meetings were initiated to discuss the issues, but very little ground was given on either side
 - Different operating styles also created animosity
 - Volunteer township department was not familiar with the city's budget controls and policies
 - Full-time Administrative staff was constantly reminding volunteer staff to follow procurement policies
 - Over time, the relationships improved
- In 2003, the city hired Emergency Services Consulting International (ESCI) to assemble a fire protection master plan for the city-- "What are we going to do once the agreement ends?"
- ESCI was very committed to getting input from all internal levels, and even outside departments (water, street, etc.), to build their plan
- Master plan creation wrapped up in March 2005, leaving 9 months to implement new plan by the first of the year (01/01/2006)
- The City hired ESCI to come back and assist in producing a strategic implementation plan
- The implementation plan was presented to the council and adopted in July 2005
- The new plan created a paid on-call force to supplement the full-time suppression forces
 - Paid on-call personnel required were to work 24 hours of coverage per month, plus two drill-nights per month
- Discussions began between paid and volunteer fire fighters on the role of the new paid on-call force
 - The differences between the two units boiled down to (generally speaking):

- Hours of training
- Experience (number of calls)
 - Full-time departments might see about 12 structure fires a month
 - Volunteer departments might not see 12 in a year
- Response time
- “How do we get the paid on-call people more experience so they will be more accepted by the full time people sitting next to them on the truck?”
 - Get them in the station
 - Get them on more calls
 - Do everything possible to eliminate the differences between part-time and full-time fire fighters
 - Put all part-timers into state retirement system (just like the full-timers)
 - Issue standard uniforms to everyone
- Out of 21 volunteers, 17 agreed to transfer into the new paid on-call organization
 - By 2007, the department had hired five of the paid on-call staff as full-time
 - 2 others left for full-time employment in other departments
 - 2 more left due to the time commitment
- In 2007, first of Local Government Aid (LGA) budget cuts hits
 - Which caused funding reductions and
 - Kept the department from filling vacant positions (On-call force was reduced by attrition to 9 positions)
- By 2010, paid on-call program down to 4 positions – city ultimately decided to eliminate the entire program from the budget... due mostly to budget concerns

Unique Items

- St. Cloud Township was, originally, divided into a north area and a south area that was separated by the City of St. Cloud
- Merger essentially doubled the geographic size of the City of St. Cloud

Lessons Learned

- Need early involvement and input from all concerned parties

- Create a sense of ownership and buy-in from everybody (chief, city and county officials, right down to the newest fire fighter)
- Separating responsibilities of response areas [Full-Time vs. Volunteer] created frustration and a lack of trust that “...kept us, for essentially ten years, from becoming one department.”
- Three years in, FD modified the plan, on their own, so that full time response would be dispatched anywhere in the entire city during daytime hours, Monday through Friday
- Initial paid on-call staffing plan that was developed lacked usefulness to the department because it allowed fire fighters to make their own schedules, leaving staffing gaps at key times
- More specific scheduling needed for part-time positions to allow the use of paid on call staff to fill in for vacations and other full time staff shortages
- Chiefs were directed/asked to stay out of the volunteer division’s business but hindsight proves they needed to be active participants in communication right from the start
- Need a strong understanding of the department from administrative staff
- Strong city administration required to buffer chiefs from politicians (one boss for the Chief)

Contact Information

To learn more about the St. Cloud Fire Department, please direct your inquiries to:

Bill Mund

Chief, St. Cloud Fire Department
101 10th Avenue North
St. Cloud, MN 56303
BILL.MUND@ci.stcloud.mn.us

Dean Wrobbel

Deputy Chief of Operations
101 10th Avenue North
St. Cloud, MN 56303
Dean.Wrobbel@ci.stcloud.mn.us

Mike Williams

City Administrator
400 2nd Street South
St. Cloud, MN 56301
Mike.Williams@ci.stcloud.mn.us

About St. Cloud

“The St. Cloud Fire Department conducts both fire prevention and suppression activities operating from five fire stations... Fire suppression crews staff all five stations on a 24/7 basis allowing for excellent response anywhere in the city. The suppression division responds to approximately 4,000 incidents per year.

The Fire Department also provides Hazardous Materials incident coverage. The Chemical Assessment Team, by contract with the State of Minnesota, has primary coverage for approximately ten counties in central Minnesota.” – <http://www.ci.stcloud.mn.us/Fire/>

Other services provided by the Fire Department include:

Airport Rescue and Firefighting, Confined Space Rescue, Technical and High Angle Rope Rescue, Ice and Water Rescue, Emergency Medical Response and Extrication Services, Fire Inspection and Plan Review, Public Fire Education and Training.

ISANTI FIRE DISTRICT (FIRE DISTRICT BY JOINT POWERS AGREEMENT)

Objective

Find a way to keep one department from splitting into two, or more.



Players

Athens Township
Bradford Township
Isanti Township
Oxford Township
Spencer Brook Township
Standford Township
City of Isanti

Result

Joint Powers agreement signed to pass district power over to a board of representatives, rather than full city control.

Date Effective

January 1, 2006

Summary

During the late 1990's and early 2000's, the local townships in Isanti County were growing increasingly frustrated by their lack of control and input into the department budget, which was maintained by the city. Several of the townships were threatening to pull out of the funding and begin their own departments. They formed an advisory board to consult and recommend changes that would allow the department to stay as one cohesive unit. Eventually the board began maintaining the department budget. By January of 2006, the participating groups created a formal joint powers agreement to make the exchange of control official.

Specifics

- Townships in Isanti County and the City of Isanti were at odds
- Townships were "fed up" and wanted to start their own department without city involvement
- It became a case of one department trying not to be divided into two as fear grew that separation would create two or more deficient departments rather than one "good" one

- Jan 1, 1989 Advisory board formed to discuss recent developments (one member from each township and one from the City of Isanti)
- Reasons for townships seeking a different model/relationship with city of Isanti:
 - The city was over charging fees to the townships
 - The city looked at the total FD budget and charged them 20% across the board regardless of use
 - Obtaining accurate budget information from the city was “Challenging”
 - City claimed the JPA was out of funds while FD books showed otherwise
 - Upon challenging the numbers, the City issued a check for the missing amount back to the JPA board’s account
 - Townships were buying equipment, but had no legal ownership despite paying the majority of the cost –The city owned the titles to the equipment
 - No fiscal input – The city would determine budget and later present it to the townships at the annual meeting
- Cooler heads prevailed, and on Jan 1, 2006 – The board entered a joint powers agreement to officially take control of the money
- Positive outcomes from JPA
 - Built substations to help shoulder load and cut expenses to support rural areas in a county covering 170 square miles
 - Second new substation coming in Spring, 2010
 - New substations raised safety ratings, and many nearby citizens saw insurance deductions of \$400-1,000 each
 - District gained more control over their money and now have over \$600,000 in cash assets (putting into the new substation)
 - Huge increase in morale – fire fighters feel less like a number and more like a valuable asset to the community
 - Increased overall equipment condition
 - Administration expenses went way down – only wrote 214 checks (not counting payroll)
 - Added full-time firefighter/administrator position
- Negative outcomes from JPA
 - Townships like to micro-manage
 - Everybody’s an “expert” and the meetings get off-task or bogged down in details

- Slow moving process – with monthly meetings, the group must plan in advance to act on quickly moving grants
- Quorum can be difficult – 5 special meetings called just to pay the bills because of no-shows

Unique Items

- The Isanti Fire District holds an annual rodeo to help raise funding for the district
- Over the past 33 years, the rodeo event has raised \$1.2M for the enhancement of fire protection in the Isanti area

Lessons Learned

- Isanti County's population (40,000) seems to call for a full-time fire chief
- Fire departments too often try to be everything to everyone, but need to do a better job of cooperating and specializing
- City pushing for development of a self-taxing district
- Consider allowing independent study to come in and see how the department can improve
- There may be a lot of equipment available among the shareholders, but is it in the right places?
- Consider how the district can equalize benefits
- Standardize equipment and training
- Educate fire departments on communications with townships, especially in regards to budget/purchasing -- Make sure representation matches the protection
- A third party with an objective view can bring value -- Need strong mediation to provide common information and outside opinion

Contact Information

To learn more about the Isanti County Fire District, please direct your inquiries to:

Randy Polzin	John Bartz
Chief, Isanti Fire District 401 1st Ave. N., PO Box 490 Isanti, MN 55040 Phone/Fax: 763-444-8019 Email: randy@metalcoatingsandmfg.com	Chairman, Isanti Fire District 27430 Polk Street NE Isanti, MN 55040 Phone: 763-444-9731 Email: jbartz@mcgough.com

About Isanti

In 2009, the District responded to a total of 544 calls. The increase this year is 4.7% over 2008 and the District has averaged an 8% increase over the past 3 years.

The District currently responds to calls from two stations. Station 1 is located at 401 1st Ave. in the City of Isanti, and Station 2 is located at 4891 County Road 5 NW in Spencer Brook Township. The Isanti Rodeo Association has also purchased property located at the intersections of County Roads 9 and 45 for the future Station 3. A date for building Station 3 has not been determined at this time, but the Fire District Executive Board has included budget dollars annually toward its construction.

The Fire District Board is staffed by seven Executive Members, which consist of one voting member for each Township and City. There are thirty Firefighters currently on the Department with experience ranging from 0 to 37 years of service.

Starting in 2010, the Isanti Fire District currently serves parts of 170 square miles, which includes all of the City of Isanti. Cambridge and Fish Lake Townships have also approached the Fire District with interest in joining the District.

– sources, www.isantifiedistrict.org, and the Isanti Fire District Annual Report, 2009

EDEN PRAIRIE FIRE DEPARTMENT (INDEPENDENT DEPARTMENTS SHARING SERVICES)

Objective

Create and maintain a culture of shared services and a common standard for several separate city fire departments in the southwest metro area.

Players

City of Bloomington
City of Chanhassen
City of Eden Prairie
City of Edina
City of Hopkins

Result

Though not bound by any sort of merger or consolidation, the participating departments have entered into several Joint Powers agreements to share resources and purchasing power.

Date Effective

None

Summary

Several southwest metro area fire departments noticed an opportunity to become more efficient by sharing services. The resulting partnerships have positively influenced the quality of service as well as increased the departments' purchasing power. Mutual aid is provided automatically, and each department provides a unique specialized team to the other cities. Many of these teams are active throughout the region. Member departments now share a radio system, common terminology, procedures, training facilities, and even equipment. Joint Powers Agreements for purchasing allow the departments to share the load when acquiring equipment and other resources.

Specifics

- Services are shared, voluntarily, out of efficiency rather than driven by government



- The main strategy was to take all of these individual pieces and sort them out so they fit well together
- Example: Edina House explosion (02/23/2010)
 - 8-9 separate agencies cooperating and functioning seamlessly
 - Multiple chiefs taking command shifts with no loss of performance
 - ARMER system played a large role to allow for coordination of many individuals
- Shared Resources Involved
 - FIT team (Fire Investigation Team) – County created as mobile unit to cover investigations throughout the county
 - Independently, each FD doesn't have enough cases to become more skilled/practiced
 - A special unit covering a wide area creates a highly skilled unit at the entire district's disposal
 - Seven Channel Shared Radio System
 - Six unique channels in the southwest metro area
 - Each participating department can use any channel, but is responsible for recording one specific channel
 - Allows for up to six major incidents, simultaneously (1 per channel)
 - Uniform hailing protocol created to eliminate confusion
 - Procedures created to ease sharing of recorded information
 - "South Metro Public Safety Training Facility"
 - Collectively paid for and run by three fire departments and four law enforcement agencies
 - Training standardized for all departments
 - Common training of recruits leads to camaraderie between departments
 - Co-training has changed the mindset from individual departments to cooperative effort
- Common Fire-Ground Practices
 - RIT-Rapid intervention
 - On-deck air management
 - Command vests and apparel (appearance and color)
 - Commanders command from the seat (rather than needing to find them around the site)

- Par tags – standardized colors and formatting
 - Standardized Hooks and loops on Velcro tags
 - Auto aid based on geography
- JPA for SCBA
 - 11 departments working to create a JPA for standardized SCBA
 - 7-year program
 - Not created to save money, but to create a common standard
 - Shift responsibility for maintenance to OSHA standards to a third party schooled in it
 - Increase fire departments' ability to share equipment and training
- JPA for Turnout Gear
 - No longer purchasing gear— leasing instead
 - Manufacturer maintains/cleans the equipment
 - Manufacturer keeps up with NFPA standards
 - Makes trading/transferring equipment easier
 - Increased confidence in maintenance of equipment
- Lease goes to operating budget as a consistent amount charge rather than the peaks and valleys that come with purchasing equipment
- Initial resistance to the concept has been squelched by experience
- JPA for Engines and Ladder Trucks (“Holy grail” of agreements, not yet in place)
 - Several models would be created to a standard specification for all departments
 - Departments could team up to create purchase agreements for “base models” in quantities that would allow for stable and possibly reduced pricing
 - Departments could stock common parts
- Specialized Resources – low frequency/high risk situations
 - Cut Team – Regional asset born out of RNC protests
 - Structural Collapse and Technical Rescue Team – Edina
 - Ice and Water Rescue Team – Eden Prairie
 - Chemical Assessment Team – Hopkins
 - Dive Team – Chanhassen

Lessons Learned

- Eden Prairie does not have plans to merge with anyone, formally, but looking to build partnerships:
 - “Who is best equipped to do this?”
 - “How can we support that effort?”
 - “What is the most effective way to purchase it?”
 - “What is the best way to maintain it?”

Contact Information

To learn more about the Eden Prairie Fire Department, please direct your inquiries to:

George Esbensen

Chief, Eden Prairie Fire Department
14800 Scenic Heights Road
Eden Prairie, MN
952-949-8336
gesbensen@edenprairie.org

About Eden Prairie

“The Eden Prairie Fire Department operates four fire stations with a staff of 95 paid on-call firefighters and nine full-time firefighters.

To help promote safety and fire prevention in the community, the Eden Prairie Fire Department educates businesses and residents with ongoing safety programs, such as the HeartSafe Eden Prairie automatic external defibrillator (AED) campaign and its citywide fire inspection initiative.

In 2007, the Eden Prairie Fire Department received nearly 1,100 calls.”

– edenprairie.org

POLK COUNTY FIRE CHIEF (COUNTY APPOINTED CHIEF TO OVERSEE INDEPENDENT DEPARTMENTS)

Objective

Create and maintain a cohesive working relationship for 14 independent fire departments, and three ambulance services, representing several cities within and surrounding Polk County.



Players

Polk County Board
Polk County Emergency Management

Polk County Cities:

Mentor
Erskine
McIntosh
Fosston
Winger
Fertile
East Grand Forks
Fisher
Climax
Neilsville
Crookston

Cities surrounding Polk County who protect portions of Polk County:

Warren
Oklee
Gonvick

(The three Polk County Ambulance providers have also been included recently)

Result

The County Board enlists a County Chief as a liaison to the departments to advise city departments on budgetary and cooperative matters, while keeping the city departments independent.

Date Effective

Exact Date Unknown (Prior to 1990)

Summary

While in office, the former county chief created a culture of teamwork between several departments throughout the county that has continued on today. Though never formally merged, these departments continue sharing services and equipment while being advised by the County Chief. The goal of the board is to eliminate/avoid duplication of services and equipment and allow for a strong cooperative effort across the county (e.g.; grant writing, etc.) by all city departments.

Specifics

- Each city department remains independent of one another
- Each city department maintains their own budget
- Each party maintains their own chief for their department
- County Chief helps to standardize the departments through training and grants
- The group meets, roughly, every other month
- County Chief position was appointed by the county board to act in a liaison role
- Responsible for coordination of 11 departments inside county boundary
- Oversight also includes 3 departments located outside the county boundary in addition to areas inside the county
- Advises on decisions faced by the local departments:
 - When to call in the State Fire Marshal
 - How to handle a Hazmat or other specialty call
 - Answer burn permit questions
 - How to deal with difficult personnel issues, etc.
- No official budget control by the county board/county chief, they just try to make sure there is little duplication of equipment or specialty skills
 - (ex.) County Chief convinced one department to purchase a tanker truck rather than another pumper, since the larger group lacked a tanker and already owned several pumper trucks
- All 14 departments also share a common pager system purchased under a Regional AFG Grant by one department (the three ambulance providers were included in this grant and have continued to meet with us since)

- The County Chief works with County Emergency Management on equipment purchases, developing countywide procedures for response to weather related incidents, etc.
- Works with Polk County Dispatch regularly on matters pertaining to fire department dispatch and communication (narrow band/ P25 compliance planning etc.)
- The County Chief served as a FD liaison on a project partnership with a neighboring county to purchase all new radios under a Law Enforcement Grant opportunity
- Individual departments have specialized training to serve the larger group (RIT, water rescue, confined space, HAZMAT, etc., and as a group try to steer any grant funds to that respective department)
 - “There’s no way that all of us can do all of those things...”
 - “By working together, we can do many more things, well...”

Vision for the future

- Specialty response – Individuals from a department that does not typically do a particular type of specialty response will be able respond using the more experienced unit from another department
 - We are in process now to do this with Rapid Intervention Teams (RIT)
 - Departments who are trained in RIT will respond to an RIT call anywhere in the county
- By meeting regularly, everyone “gets along and has a great relationship”

Unique Items

- Service area/jurisdiction issues have not , historically, been an issue
 - Previous chief, Dan Formato, instituted an attitude of cooperation and sharing that continues today
 - Auto Aid philosophy has been adopted and implemented by each department
 - Departments have the ability to call in additional personnel and equipment from other fire departments in Polk County, as well as some departments from neighboring counties, through the use of mutual-aid agreements
 - Generally, one or two mutual aid departments called on every structure call
 - “Everyone needs help, and we know it.”

Lessons Learned

- It's not always about consolidating or sharing services, but sometimes "just sharing their toys"

Contact Information

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Polk County Fire Chief

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About Polk County

"Polk County, with a population of approximately 32,000, is located in northwestern Minnesota. The county seat is Crookston. The county is the fifth largest in the state, approximately 2,013 square miles. Polk County consists of 58 townships and 15 cities." – co.polk.mn.us

CHAPTER 3: PANEL DISCUSSION: PERSPECTIVES FROM REPRESENTATIVES OF CITIES, TOWNSHIPS, AND COUNTIES

Local governments are continuously exploring new ways to provide services to their residents while conserving tax dollars. Working with one another is a common way local governments have found to provide services while sharing costs. Fire and rescue services are among the core municipal services people expect from their local governments. As would be expected, fire and rescue services are areas in which local governments have worked together on behalf of their residents. The models outlined in this document are different ways in which that cooperation has occurred.

As a person that works with townships from around the state, a common issue I hear centers on communication over the cost, and control, of fire and rescue services. In situations where there is strong and open communication over the rising costs of fire protection, rate increases are understood and agreed upon. On the other hand, when there is poor communication, fire protection disputes can flare into open fights between municipalities. In some instances, this has led to the creation of new fire departments; resulting in a duplication of services in an area.

The key to all successful joint efforts lies in communication. In terms of cooperative municipal services, successful communication begins with the recognition that the other municipalities are equal partners. In Minnesota, the State Legislature created counties, cities and townships as equal forms of local government. At the end of the day, a county commissioner, a city councilperson and a township supervisor don't answer to one another, they all answer to their voters.

Indeed, communication between a municipality and its residents can be as important as communication between municipalities. Residents are the key stakeholders in fire and rescue services. They are the ones whose life and property depend on the service, and ultimately, they are the ones that pay for the service. A municipality's residents can kill a shared services plan or can be the ones that push the plan forward.

The models in this document have been successful because there was good communication between the municipalities and with the residents.

– Eric Hedtke

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While not directly within the scope of the task force, it is clear that the topic of relationships between different levels of local governments is of interest to those in the fire service community. What follows is are some notes from a series of panel presentations made to the Governor's Fire and Rescue Shared Services Task Force.

Scott Simmons, [Association of MN Counties](#) (AMC)

- The Association of Minnesota Counties (AMC) represents all 87 Counties in the state
- Some “bold proposals” coming from the AMC, of late...Conversation starters like:
 - cutting the State Patrol “in half”
 - and taking over highway functions
- What is going on at AMC? Big “Redesign” of government
- “Redesign” is a product of the counties’ “futures” projects
- Changes are inevitable – how we operate now is not sustainable for the next 10-20 years
- What will government look like in 10-15 years?
- How do we grasp and plan for change?
- We need to get out of our comfort zone
- Due to budget cuts, this is our early window to tackle issues and ramp up thoughts/discussion about change
- “Redesign” has been adopted as an alternative term for “Reform”
- Redesign project began in late 2008
- It spotlights three concepts of government that the counties have identified as areas where change needs to occur:
- Governance
 - Counties are...
 - locally elected
 - semi-autonomous
 - but also the arm of state government; empowered by the state to deliver services
 - created by the legislature (unlike the organic nature of cities or townships)
- Transparency
 - In many cases, the relationship between state and counties isn’t transparent



- Governing process isn't clear about who makes decisions and who carries them out
- Legislature makes decisions and counties are responsible for the outcomes
- Some concern over accountability for those who make the decisions
- Flexibility
 - Need to have the tools, locally, to implement things the way the people see fit
 - Every county is different
 - Give local officials the flexibility and power to make those local decisions based on their county
- Outcomes – measures of accountability (not necessarily dollars)
- Governor suggested a switch to just 15 human service delivery entities instead of the current 84
- Shared services discussion popped up during those talks
- Structures aren't the “be-all, end-all” of providing services
- It's not enough to just say “bigger is better” – Making the box bigger doesn't add value for every community (e.g., Wal-Mart vs. Corner Drug Store)
- Stop talking about the transactional side of business, and focus on transformational
- Legislature seems to be stuck in transactional mentality by measuring outcomes in dollars
- Redesign Handout – (information on handout available online through www.mncounties.org/redesign.html)

Dan Greensweig, [League of MN Cities](#) (LMC)

- Small/local governments are changing
- Increased emphasis on collaboration and sharing of services
- Formal collaboration through Joint Powers Agreements, and service contracts
- A lot of the discussion happens behind the scenes...
 - Cities and Townships are working together all the time
 - Many have good working relationships
- Small legal community working with multiple levels of government makes for familiarity
- Looking for results as opposed to dictates about how things are to be done
- One size does not fit all



- Creative solutions are something the LMC members would like to see continue
- Make sure officials can make appropriate decisions on those solutions and have say over that
- Many differences between different forms of local government
- Rough calculation that...
 - 4.3 million of the state's population lives in cities
 - Another 900,000 live in townships
 - And another 70,000 live in unorganized areas
- Most fundamental difference between cities and townships: townships have levy set by voters
- Common forms of shared fire service that cities are involved with:
 - Mutual aid – formal and informal
 - Service agreements – formal and informal
 - Fire Districts
 - Joint Powers Agreements
 - JPAs tend to be very complicated— often making lawyers and insurance folks happy – but they don't always function well to meet the goal
- Often, individuals are afraid to make decisions for the group— it is important to get past this
- Lots of flexibility in insurance programs to accommodate new government strategies
- Not always easy, but there is room for collaboration with the legislature to “try things out”
- Government structures can change (with a little effort) to make creative ideas work
- Issues between cities and townships with regards to fire service:
 - LGA Cuts/Financial pressures at local level
 - When there was enough money to go around, budgets could be loose...
 - Today, governments must nail down budgeting and examine them more closely
 - Conflict over contract changes requested by one party or another
 - Most common issue is lack of communication – nobody wants to get hit with a bill or expense that they weren't expecting (even if it's a legitimate expense)
 - Bad timing
 - Big purchases
 - Personalities
- Communication is absolutely critical, and the key to success

Eric Hedtke, [MN Association of Townships](#) (MAT)

- LGA cuts causing cities to re-evaluate what they're doing in regards to providing services
- "When things are going well, you never hear from people... when there are problems, they get on the phone [to MAT] and say 'Look what these cities are doing to us!'"
- Townships are usually willing to pay a fair price for a fair service...But when the price jumps up, townships start to question things (Communication is the key)
- Cities, fire departments and townships need to be on the same page with realistic numbers
 - Contract for service doesn't always cover equipment replacement costs
 - Capital improvement plans need to be added or considered
- Townships often pay a large percentage of costs, but have little control over the money
 - In one example, two townships pay 76% of the cost, but have no ownership of equipment
 - In another example, townships pay 100% of the cost and have no ownership
- When the price goes up, What can [MAT] tell townships?... they're options are limited:
 - "Look for another department to contract with"
 - "Start your own fire department"
 - "Pursue a Joint Powers Agreement to have a say in the operations"
- The goal of creating more partnerships and fewer department overlaps goes head-to-head with those who want to regain control by starting their own department
- In greater Minnesota, there are big needs for balancing the purchase of specialty equipment
 - In one example, a city calls for a ladder truck for their industry, but their partnering township says, "we have no need for that as we don't have anything over 2 stories...why should we pay for that?"
- In most cases, formulas determine the share paid by partners
- Townships get hit hard on formulas based in land values
 - Cities' urban land values have been dropping
 - Townships' agricultural land values have been going up
- Association of Townships has a sample contract for townships to use



- Not a one size fits all, but it factors in the number of calls, taxable land value, and population
- Often times, we just don't hear about the situations that are working well
- It seems as though many of the problems are with smaller departments that may be lacking communications between cities and townships for any number of reasons
- Cities are required by statute to provide budget information to townships, but there is no enforcement provision
- Cities MUST voluntarily supply info to townships to avoid leaving townships feeling like they're playing "hide the ball"
- We can lead the horse to water, but we can't make him drink... what do we do instead?

CHAPTER 4: REMARKS ON EMS FROM REPRESENTATIVES OF THE MINNESOTA AMBULANCE ASSOCIATION

While not directly within the scope of the task force, it is clear that the topic of emergency medical services (EMS) is of interest to the fire service community. What follows is a transcript of a PowerPoint presentation made to the Governor's Fire and Rescue Task Force surrounding the topic of ambulance service.

Overview of the EMS System –

*O.J. Doyle and Buck McAlpin, [Minnesota Ambulance Association](http://www.minnems.org)
(A Non-profit Statewide Organization)*

"Serving Minnesota through Ambulance Licensing: a Public Policy Dialogue"



Our Mission & Vision

- We are recognized as the united voice representing the EMS industry in Minnesota.
- We are the catalyst for legislative and regulatory change that ensures the financial health of the EMS industry.
- We serve as the resource center for the EMS industry.

Representing Minnesota's EMS Professionals and volunteer providers

- Membership Includes:
- Over 240 Public, Private, & Hospital Ambulance Service Providers - Municipal, Private, Non-For-Profit, Joint Powers, and Individual
- Recognizing the Unique Role of EMS in both Health Care & Public Safety

Minnesota EMS Governance Structure

- MN EMS Regulatory Board
 - State Agency Charged with
 - Licensure of Ambulance Services
 - Certification of Individual Providers

- Fiscal Agent - disbursement of State & Federal Funds Supporting MN EMS
- Regional EMS Systems
 - 8 Regions Statewide
 - Access Regional Needs - Coordinate Funding, Education, & Advancing Regional Initiatives

Primary Service Areas

- Minnesota's current EMS law provides specifically defined territories for ambulance response called Primary Service Areas (PSAs)
- The Minnesota Emergency Medical Services Regulatory Board (EMSRB) grants licenses based on "need" as defined in the law (Chapter 144E)
- Emergency Ambulance Services Do Not Compete
 - Statutorily designated geographic territory (PSA) to be served by the licensed emergency providers
 - Organized around populations, not political subdivisions
 - Enacted in the 1970s after competition for emergency patients was proven to have negative impact on patient care
 - The provider of record must treat and/or transport anyone within that PSA who requests an ambulance for emergency medical purposes.
 - This response is done regardless of a patient's ability to pay or source of payment (M.S. 144E.101, sub. 4).
 - An emergency ambulance service must be prepared to respond 24 hours a day, 7 days a week.

History of PSAs in Minnesota

- The PSA law was enacted after competition for emergency patients was shown to have a negative impact both for patients and ambulance services. The legislature, recognizing the need for change in order to protect public safety, responded by passing the current PSA law.
- There was a challenge to the law on constitutional grounds, which was, ultimately, settled by the Minnesota Supreme Court. This case, *Twin Port Convalescent v. Minnesota State Board of Health* (257 N.W.2d 343) is the foundation of the current emergency ambulance system in Minnesota.
- In the decision, the court sustained the hearing examiner's findings, which stated that:

- Ambulances tend to operate in a limited market environment and additional services within the same territory would not substantially increase the level or availability of ambulance care.
- The addition of more ambulance services in a limited market environment will not result in an overall reduction of rates; and the potential clearly exists for this situation to cause an increase in rate schedules and/or local subsidies.
- *The court added:* “Ambulance service is essential to the community. It is also a service for which demand is inelastic and expenses largely fixed. Where the demand is insufficient to support additional services, either quality is sacrificed or rates and public subsidies increased...”
- Provider Responsibilities: Care & Transportation of the Sick & Injured
 - Respond to the Demand for Service by Providing Staff, Equipment, & Infrastructure to Communities within the Licensee’s PSA, 24hours/day... 7-days/week... 365 days/yr.

Benefits of PSA

- Ensure State-wide Ambulance Coverage for all Citizens
- System Approach to Emergency Services
- Consolidation and Coordination of ambulance services controls cost
- In Exchange for Exclusive Primary Service Area, the provider guarantees universal access to service regardless of patient perception of their condition or their ability to pay.

Interests for Change – Interest has Surfaced to Change Minnesota’s PSA System in the Past

- Local control
- Economics
- Jobs

Realities of Local Control

- Minnesota’s EMS operates as a total system (Ambulance, First Responders, Hospitals, etc.)
- System already struggles with patchwork quilt syndrome
 - State coverage includes 305 ambulance licenses held by 240 service providers
- Providers have Responsibility to Provide Community Connection
- Minnesota system already heavily dependent on volunteers - (65% of Personnel)

- Local Ordinances maybe enabled

Realities of Revenue – Providing Ambulance Service Is Costly

- Personnel / Staffing Costs
- Equipment (e.g. fully equipped ambulances > \$150k-\$250k)
- Other Costs
 - Ambulance services require Physician Medical Direction
 - Online Medical Control
 - Dispatch/Communications - Pre-Arrival Instructions
 - Support for First Responder Services
 - Continuing Education
 - Vehicle Maintenance
 - Business Office Costs
 - Insurance
- Reimbursement
 - More than Just Sending a Bill
 - Charges don't equal reimbursements
 - i.e. Medicare “ Usual and Customary Rates” do not Equal Costs
- Remember, the PSA guarantees of universal access... This creates a high rate of Bad Debt
- Model changing on reimbursement for ambulance transports. Fee for Service is “a thing of the past.”
- High write-off rate (30%)
- Discount rates (Negotiations with Managed Care Payers)
- New models of ACO-CCO's
- Reductions in reimbursement for all types of ambulance calls
- Roughly calculated, EMS services collect 48-50 cents on every dollar billed.



Impact of Dismantling Current PSA System

- Increase Overall System Health/Public Safety Costs

- Larger, for-profit, multi-state providers may join the market
- Decrease market share and revenues for current providers, thus jeopardizing health of current system
- Jeopardizes Less Populated Areas
- Potential Displacement of Existing Workforce

Overview:

- Minnesota law already provides for due process to obtain an ambulance license
- Potential to increase HealthCare Costs with no assurance of maintaining quality
- Why legislate displacing one service for another without performance parameters?
- The expressed problems do not include performance issues - they are economically driven.

Statewide Medical Direction

- The majority of the State's EMS system receives medical direction from a large non-profit ambulance service
- The large ambulance services medical directors have control of 75-100 first responder squads
- Much liability is taken on under the doctors license

First Responder Support

- Provides equipment to first responder squads
- Provides education to the services along with renewal of certifications
- Donates vehicles and "old" ambulances to first responder squads
- Provides and coordinates peer review programs

Dispatching and pre-arrival

- Numerous first responder squads receive dispatch services from a large ambulance provider's secondary "PSAP"
- Allina, North Memorial, HCMC and Mayo Medical Transport provide pre-arrival instructions to nearly 60 Counties in MN

Continuing Education

- Large and small ambulance services provide key educational programs for EMS in rural MN.
- For a reduced rate (or free) they provide EMT First Responder initial, and refresher, classes.
- These ambulance services also coordinate community initiatives to better patient outcomes

EMS Coverage

- [MAP]
- 6 providers cover the state via ambulance and air transport
 - Lifelink III Helicopter
 - Mayo 1 Helicopter
 - North Aircare
 - Allina
 - Gold Cross
 - North Memorial

Helicopter Transportation

- The safety net of air-medical transportation is supported by large non-profit hospital systems.
- North Memorial owns and operates 8 helicopters in MN operated in 5 fixed locations.
- Mayo Medical Transportation operates 3 helicopters out of three fixed bases.
- Life Link III operates 6 helicopters in Minnesota and the border of Wisconsin.
- Life Link III is owned and operated by a consortium of hospitals – Allina, HCMC, CentraCare, Fairview, Regions, Minneapolis Children's, St. Luke's, St. Mary's

North Central EMS Cooperative

- Cooperative was formed by a group of ambulance providers after massive Federal budget cuts in 1997
- Cooperative provides equipment and ambulances on a large scale bid basis
- Cooperative started with 3 members in MN in 1997. Currently, the cooperative has 2300 members in 49 States

Future Industry Challenges

- Continued reduction of Government strike payment for transports and other third party payments for ambulances
- Federal Health Care Reform
- Accountable Care Organizations
- Reduction in LGA
- Large State budget deficits

The Future of EMS

- Community Paramedic
- First Responder Reimbursement
- More Regional EMS consolidation
- Patient destination modeling other than emergency rooms for care
- Ambulance services Integration into medical homes

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CHAPTER 5: BEYOND TRADITIONAL ROLES

William Snoke, Director, Office of EMS, Allina Hospitals & Clinics

As community leaders evaluate choices for sharing fire service resources, there are exciting opportunities outside of the traditional services provided by fire departments. Within the spectrum of opportunities, several exist that may leverage the fire service's demonstrated strengths in providing pre-hospital emergency medical care and community-based fire prevention.

Health care reform, at the national and state level, is driving changes in the delivery and financing of health care. There is a growing emphasis on the importance of prevention and a need to identify new cost-effective strategies for disease prevention. Building on the effective work fire services have done around fire prevention, there may be an opportunity to expand the focus to disease prevention. For example, there is potential for an innovative partnership related to obesity prevention between local fire departments and local public health departments, health care providers and insurers. Obesity has been shown to contribute to the cost of health care. Sixty-seven percent of adult Minnesotans are either overweight or obese¹. The majority of adults in Minnesota – about 2.2 million people – are at increased risk for high blood pressure, type 2 diabetes, heart disease, stroke, osteoarthritis and colon cancer. Two preventable causes of obesity are physical inactivity and unhealthy eating².



Leveraging staff with a variety of skills and interests to create a physical activity or nutrition program in a community that contributes to the reduction in and prevention of obesity may be of interest to local health care providers and insurers. Fire departments have a solid history of successfully implementing prevention activities, as evidenced by the reduction in fire suppression activities. While to this author's knowledge there are no models of such a partnership, conceptually, such a program targeted to reduce health care expenses may be eligible for some degree of funding to achieve community health objectives.

The evolving nature of healthcare reform creates a financial environment in which there are no clear answers or directions. What is emerging, however, is a movement away from healthcare reimbursement for procedures performed and towards payment to provide care for a population. Within that philosophy, lies opportunity to secure payment for prevention activity that demonstrates improved health and reduction in the overall cost of caring for a population of patients.

¹ Blue Cross Blue Shield of Minnesota, 2010

² Ibid

The availability of funds will likely require negotiation. Activities that develop in cooperation with local health care providers and payers may have the best chance of being included in the reimbursement for the care of a population.

Another opportunity driven by health care reform is the benefit to both the patient and the provider for selected patients to have an in-person follow-up within twenty-four hours of hospital discharge. An example again illustrates the potential. Health care providers know that congestive heart failure patients who have this follow-up have a significantly lower rate of readmission to the hospital. This is



important, as the hospital is not generally reimbursed for the care of the readmitted patient. Thus, there may be a financial incentive to initiatives that reduce the readmission rate. Imagine the benefits to a program where properly trained fire department personnel are involved in conducting that follow-up. Such a follow-up program reduces the cost of health care by reducing readmission rates; provides a community relations point-of-contact within the community; extends the firefighters awareness of the continuity of care for patients (assuming they are already involved in responding to medical calls as first responders or an ambulance service); and links the work of the firefighters to the broader health care delivery system in a community.

Many fire departments currently offer free blood pressure checks and other screening programs. The ideas illustrated above take that foundation and suggest new and innovative ways to use the existing fire department resources to compliment and support local health care services.

This section of the Guidebook is certainly not intended or designed to be prescriptive or exhaustive. There are undoubtedly reasons why either of these examples will not be practical in a given community. Likewise, there are undoubtedly a host of ideas for partnership that are unique to a given community. Developing those ideas and looking beyond the traditional role of a fire department offers exciting opportunities.

In doing so, fire departments and community leaders will develop new partnerships with the local health care providers – including hospitals, primary care providers, local ambulance service, public health agencies, insurers, and home health care providers. These discussions need to explore opportunities to collaborate rather than compete with local health care provider as fire department look for new uses of existing resources to help address the challenges of health care reform.

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CHAPTER 6: LESSONS LEARNED

NAVIGATING THE MINEFIELD OF SHARED SERVICES: A CITY FIRE CHIEF'S REFLECTIONS ON SHARED SERVICES

Chief Bill Mund – St. Cloud Fire Department

In addition to the information provided in this guidebook, the Governor's Fire and Rescue Shared Services Task Force has attempted to identify potential hot-button issues and barriers that history has shown to have negative effects on organizations who are trying to pursue some level of cooperative services. The City of St. Cloud Fire Department experienced a merger and subsequent reorganization over a ten-year period. As both an Assistant Fire Chief and Fire Chief during this time of transition, here are some reflections on the key issues and barriers our department either directly experienced or identified as potential problems during the process.

Issues

- **Community Issues** – Are there existing issues within the various communities involved that could work against cooperative efforts? Conversely, are there community forces that could be recruited to assist in making cooperative services a reality?
- **Culture** – All organizations have a unique culture of their own. An analysis of the various cultures of those parties interested in examining some level of shared services needs to be evaluated.
- **Service Expectations** – Parties will need to clearly identify what level of service they are trying to reach with the cooperative effort. What is the level of service delivery expectations from their customers?
- **Previous Cooperative Service Experience** – Have the groups now in discussion had any level of previous cooperative efforts? Have these efforts been successful? Can we build on any previous successes?
- **Political Issues** – These can arise from elected officials, community members, as well as members of the various organizations. Be aware of what issues are out there and be prepared to respond to questions and concerns with solid, factual information.
- **Labor and Management Issues** – Seldom do two or more organizations have the same levels of pay and benefits, exact contract language, operating policies, pensions, rules and regulations. Depending on the level of shared services you are pursuing, but especially in a full consolidation model, these contracts, policies, compensation levels and other needs must be worked out between the organizations.

- Volunteer vs. Full Time – Parties need to address the on-going issues between full time and volunteer personnel. An effort needs to be made to treat all members in the same professional manner. Disparities in education, experience, and levels of training need to be addressed to the satisfaction of everyone involved.
- Stakeholder Involvement – From the onset of discussions concerning any level of shared services, organizations need to solicit and obtain stakeholder involvement. Failure to identify any vital issues, early on, can stop the process before it has any chance to succeed. Any “deal breakers” must be discussed openly and addressed, up front, to ensure stakeholder support for your efforts.
- Recent Legislation – An amendment to the Omnibus Economic Development Bill passed during the 2010 legislative session provides information for those who exercise provisions of the municipal joint powers law, chapter 471.59. The amendment is as follows:

“Sec. 26. Minnesota Statutes 2008, section 471.59, subdivision 10, is amended to read:

Subd. 10. Services performed by governmental units; commonality of powers.

Notwithstanding, the provisions of subdivision 1 requiring commonality of powers between parties to any agreement, the governing body of any governmental unit as defined in subdivision 1 may enter into agreements with any other governmental unit to perform on behalf of that unit any service or function which the governmental unit providing the service or function is authorized to provide for itself. If the agreement has the effect of eliminating or replacing a public employee who is part of a collective bargaining agreement represented by an exclusive representative, and there is no provision in the collective bargaining agreement detailing the effect of the action on the affected public employee, negotiations on the effects to the employee of the job elimination or restructuring must be conducted between the exclusive representative and the employer.”

Barriers

- Personal Agendas – While it is important to solicit and receive stakeholder input, all parties need to be careful to avoid letting one or two members personal agendas to drive, or derail, any attempt at cooperative services. The overriding effort should be to provide service to each community, in the best manner possible, using the resources available.
- History – The relative history of the organizations wishing to explore cooperative service arrangements does not just apply to the fire departments, themselves. While individual departments may have an excellent history of cooperating at various levels, the citizens or political leaders may not share the same experiences.
- Service Levels Currently Provided – Are the parties increasing or decreasing the service levels for their communities? Can any changes be rationalized in the big picture of where the organizations are attempting to go?
- Reorganizations and Selection of Staff – How will the cooperative efforts affect each organization involved? Will individuals who are here today be gone tomorrow? What will the

organization look like when our efforts are complete? These are all questions that need to be considered, debated, and resolved for the cooperative effort to be successful.

- **Poor Communication** – In many examples of unsuccessful cooperative efforts, poor communication to the stakeholders is identified as a contributing factor to its failure. Frequent, open, communication is critical. In some cases, daily updates are required to keep all parties on the same page. A failure to communicate effectively to any of the stakeholders can quickly overwhelm the effort.
- **Poor Initial Analysis** – Cooperative services involves much more than simply putting two different departments together. An initial analysis of what the parties are trying to accomplish should be completed to help determine if a cooperative effort is a viable option for those involved. As Jack Snook stated when he addressed the Fire and Rescue Shared Services Task Force, “One broken fire department plus another broken fire department equals one bigger broken fire department”. The analysis should address what the future organization will look like and what benefits will be provided to the communities being served.
- **Differences in Pension Systems** – Agencies looking at full or even partial consolidations need to be aware of the differences that may exist in the pension systems of the various organizations involved. A plan will need to be developed to address these differences. Each Relief Association will typically have its own set of by-laws and both Relief Associations and Minnesota’s Public Employee Retirement System must follow various state laws. Investing some time and effort up front to research and plan for pension issues will ease the transition period and avoid a last minute derailment of consolidation efforts.

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A PERSONAL ACCOUNT FROM A GREATER MINNESOTA CITY ADMINISTRATOR

Brian Fritsinger – City Manager, Cloquet

“Tradition” and “History” are frequently used terms in fire service. These terms conjure images of proud, dedicated, men and women working through difficult circumstances to protect the public's health and property. However, too often in the fire industry, these same terms are cited as reasons to keep the status quo. In the rapidly changing world that we now live in, tradition and history, instead, need to be considered the guidepost for evolution in providing the best service possible to the people they serve.

At the turn of the last century, there were no smoke alarms, sprinkler systems, or motorized vehicles. Fires were fought by hand with horses, wagons and little access to water. While honoring its traditions and history, the tools used to fight fires has evolved and changed over the past 100 years. Today we fight fires using a very modern fleet of vehicles and well-trained staff. Technology continues to find its way into the daily operations of our firefighters. Our fire leaders have fought for these changes to protect property and the lives of both property owners and our firefighters.

The creation of the Cloquet Area Fire District has been a time consuming and challenging process. It has required countless hours of work and personnel time by many people to develop. The changes implemented have been, at times, painful, slow and difficult. What began as a simple idea of saving money and enhancing service has developed into an eight-year odyssey of challenges and sleepless nights. For any community looking to pursue shared services I have the following suggestions:

- Identify key partners and supporters early in the process
- Develop credibility with the public, elected officials and firefighters
- Establish clear goals before engaging process
- Persistence, effort, and dedication to the cause is required even when support from others waivers
- Patience is a virtue no matter how slow the process may appear to be taking
- Communicate, Communicate and Communicate...and then communicate some more
- Disseminate information to the public along the way; those that want you to fail are disseminating their own information (accurate, or not...)
- Involve and educate your staff and/or members throughout the process
- Honesty is critical
- Perception becomes reality, so be prepared to deal with it

- Politics internally... politics externally... politics, politics, politics...
- Timing is everything
- Turf, power and control are some of the basic challenges that need to be addressed
- Prepare for the unexpected
- Expect to be surprised

In closing, I am even more convinced today than I was eight long years ago that the path pursued by our Carlton County communities was and is still correct. However, with increased knowledge and understanding of this industry, I am also confident that there are many different models and structures of firefighting that are proven to work depending upon the community(s) and circumstances involved.

I know the model currently being developed and implemented in Cloquet and Carlton County will change. This process is just a beginning, not an end. This change and evolution will be required to honor our past, to protect our traditions, and most importantly, to protect the life and property of the public which has given us their trust and tax support.

Brian Fritsinger

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SUMMARY AND LOOKING INTO THE FUTURE

From the early beginnings of the Fire and Rescue Shared Services Task Force, our members and guests presented us with many unique and pertinent perspectives on the shared service process and fire service, in general. The Task Force felt it was important to document and present some of these spoken insights that might otherwise go unheard.

What follows, are quotes, concepts, and conversation points pulled from the Fire and Rescue Shared Services Task Force meeting notes and presentations.

- “No matter the venue or project, the attractiveness and elements are the same: You need a good idea, a leader, balance between state leadership and local autonomy, something to kick it off or spark conversation, and input from all levels... influence cannot be driven down from the top.” – Campion
- “Whenever a tough question comes up, ask the question ‘What is in the best interest of the communities we serve?’ If you answer the question honestly, you have a great chance to succeed... Government gets easier if you keep your focus on the community you serve.” – Snook
- “Cooperative services is more than just jamming departments together; one broke fire department plus another broke fire department equals one bigger broke fire department” – Snook
- “Chiefs and officials must check their personal egos at the door – What benefits the community is not always of benefit to the chief.” – Snook
- “Take the best [aspects of each party] and leave the rest behind.” – Ehret
- Build partnerships that take advantage of each party’s strengths – Esbensen
 - “Who is best equipped to do this?”
 - “How can we support that effort?”
 - “What is the most effective way to purchase it?”
 - “What is the best way to maintain it?”
- “Be aware of the big differences between efficiencies and effectiveness.” – Ehret
- Create a sense of ownership and buy-in from everybody (chief, city and county officials, right down to the newest fire fighter) – Mund
- “Change, in and of itself, was probably the biggest issue to work through” – Ehret
- “Those who have *not* experienced many changes will likely resist; those who *have* experienced many changes will be more open.” – Snook

- “A third party with an objective view can bring value... strong mediation is necessary to the process in order to provide common information and an honest outside opinion.” – Polzin
- “Treat cooperative services like a human relationship... cooperative partnerships follow the same basic path” – Snook
 - “Introduce yourself” – plant the seed
 - “Ask them out” – see if there’s a mutual interest
 - “Date for a while” – cultivate a co-operative relationship between departments
 - “Get engaged” – Make a commitment/plan for co-operation
 - “Get married” – Implement, maintain, and improve the relationship
- “Whatever you think you’re going to save through cooperative effort... cut it in half. However long you think it will take to install the cooperative effort... double it.” – Snook
- “Benchmarks are very important” – Snook
 - “Start small”
 - “Set reachable goals”
 - “Build momentum for bigger goals based upon smaller past successes”
 - “Incremental goals for an end result”
- “Most stalling and blocking happens when it’s time to implement a plan.” – Snook
- “Reserve the right to reorganize. Make it clear that you might need to reorganize, but you might reorganize the reorganization down the line.” – Snook
- There’s never enough information to pass along; never enough communications with media, public, union, and officials to educate all affected – Fritsinger
- “The entire process is full of ups and downs – some days were super smooth... other days, progress felt impossible.” – Fritsinger
- “The old cliché, “If it's not broke, don't fix it,” no longer applies in today's working environment.” – Snook
- “You have to forget about tinkering with organizational charts, policies or machinery. You have to challenge and sometimes abandon paradigms, basic assumptions or even systems that have been successful in the past.” – Snook
- “In the future, organizations that remain independent may be the exception rather than the rule.” – Snook
- “Fire departments too often try to be everything to everyone, but need to do a better job of cooperating and specializing” – Polzin

- “Today, EMS is the fire department’s mainstay service and for many, it’s a predominant source of income...Private ambulance companies are vying to add EMS, threatening the fire department’s livelihood... Privatization sends shivers down their spines.” – Snook
- “While discussing threats and challenges that face the fire service, we must view managers and consolidations as tools in the toolbox.” – Snook
- The “big four” reasons a shared service experience falls short: Turf, Politics, Power, and Control – Snook
- “Communicate, Communicate, Communicate! Then, communicate again!” – Fritsinger

RESOURCES

DIRECTORY

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COMMISSIONER MICHAEL CAMPION MARK SHIELDS, Designee Department of Public Safety 445 Minnesota Street, Suite 1000 St. Paul, MN 55101 651-201-7160 Fax: 651-297-5728	mark.shields@state.mn.us	Minnesota Department of Public Safety
JERRY ROSENDAHL State Fire Marshal 444 Cedar Street, Suite 145 Saint Paul, MN 55101-5145 651-201-7201	Jerry.Rosendahl@state.mn.us	State Fire Marshal's Office
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ERIC HEDTKE Attorney Minnesota Association of Townships 805 Central Avenue East PO Box 267 St. Michael, MN 55376 763-497-2330 or 800-228-0296	ehedtke@mntownships.org	Minnesota Association of Townships

SAMPLE LEGAL DOCUMENTS

JPA Examples

- LMC's Joint Powers <http://www.lmc.org/page/1/joint-powers.jsp>

Contract examples

- Model Contract between City and Town <http://www.lmc.org/media/document/1/contractbetweenacitytownfireprotection.pdf>
- Contract Spreadsheet Sample (Guidelines for Minnesota Fire Department Contracts) http://www.minnesotafireservice.com/pub_spreadsheet_contracts.xls

Mutual Aid Examples

- Model Mutual Aid Agreement <http://www.lmc.org/media/document/1/lmcitmodelmutualaidagreement.pdf>

LINKS TO USEFUL DOCUMENTS

- Executive Order 09-13 Providing For The Governor's Task Force On A Shared Services Approach To Fire And Rescue Services In Minnesota <http://www.governor.state.mn.us/priorities/governorsorders/executiveorders/2009/PROD009748.html>
- Fire Services, A Best Practices Review <http://www.auditor.leg.state.mn.us/ped/bp/pe9907.htm>
- Guidelines for Minnesota Fire Department Contracts http://www.minnesotafireservice.com/pub_guidelines_for_mn_fire_dept_contracts.doc
- Example of feasibility study (conducted for Cloquet Area Fire District) <http://cloquetareafiredistrict.com/district-governance/district-documents-and-information/2006-countywide-fire-a-ems-study>

RULES AND STATUTES

EMS

- Ambulance services (Rules, Chapter 4690) <https://www.revisor.mn.gov/rules/?id=4690>
- Emergency medical services regulatory board (Statutes, Chapter 144e) <https://www.revisor.mn.gov/statutes/?id=144e>

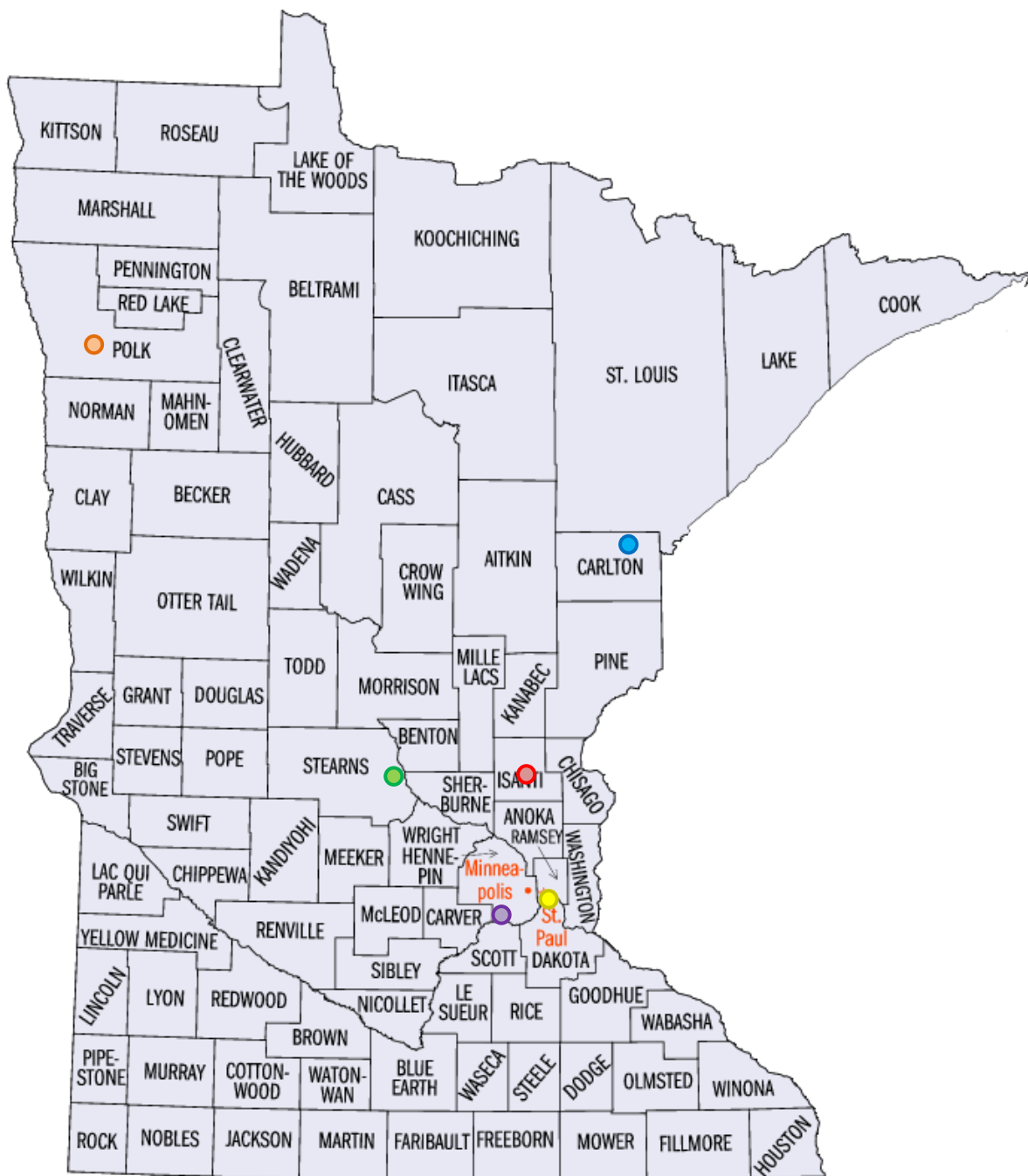
Fire Service

- Firefighter related statutes (Statute topic search) <https://www.revisor.mn.gov/statutes/?topic=486441>
- Fire Department related statutes (Statute Topic Search) <https://www.revisor.mn.gov/statutes/?topic=485659>

Joint Powers

- Joint exercise of powers Statutes, (Chapter 471.59) <https://www.revisor.mn.gov/statutes/?id=471.59>

FIRE AND RESCUE SHARED SERVICES REFERENCE MAP



The map depicts the relative locations of the selected shared services examples in Minnesota:

- Cloquet Fire District
- South Metro Fire Department
- St. Cloud Area
- Isanti Fire District
- Southwest Metro Area (Eden Prairie, et. Al)
- Polk County Fire Chief