

LONG RANGE FACILITIES PLAN

Board of Fire
Commissioners
2015 Update



OVERVIEW



■ Work in Progress

Discussion of work completed by CWIFR Facilities Plan Working Group and the Rice Fergus Miller architectural and engineering firm.

■ Financial Implications

- Overview of the District's current and projected fiscal position
- Discussion of the Board's debt policy
- Discussion of pay as you go versus use of debt capacity for capital facilities improvement

■ Policy Direction

FACILITIES PLAN WORKING GROUP



- LT Derik Vrable, Facilities Division Manager
- Commissioner Paul Messner
- Chief Hartin
- CAPT Andy Griffin
- FF Keith Andrews
- FF Greg Behan
- FF/MECH Mike Matros

WORK IN PROGRESS



- Programming [COMPLETE]

 - Identification of current and projected facilities requirements

- Facilities Assessment [COMPLETE BUT FOR WGH COORDINATION]

 - Examination of existing facilities and related infrastructure to determine physical condition, useful life, and operational limitations
 - Consider Impact of changing technology on fire station requirements, design, and efficiency
 - Coordinate with Whidbey General Hospital (Station 51)

- Design [PARTIALLY COMPLETE]

 - Preliminary site and station design development
 - Cost estimation

WORK IN PROGRESS



- Analysis [IN PROGRESS]

 - Confirmation of plan concept and development of draft recommendations

- Final Report

 - Production of the final draft of the CWIFR Long Range Facilities Plan

- Public Involvement/Presentations

FACILITIES PROJECTS



■ Station 54

Expansion of this station to include office area, living quarters, sleeping rooms, workout area and storage while maintaining the current classroom and apparatus bay configuration.

■ Station 53

Expansion of this station to include living quarters, sleeping rooms, additional office space, workout area, and storage. In addition, expansion of the apparatus bays to provide adequate apparatus storage and improve fleet maintenance capability (interim step).

FACILITIES PROJECTS



- **Station 51**

Expansion of this station to provide improved office area, living quarters, sleeping rooms, and storage. Integration with Whidbey General Hospital EMS for shared facilities such as a workout area and classroom/conference room.

- **Fleet Maintenance Facility**

Construction of a new fleet maintenance facility adjacent to Station 53 with potential for expansion to improve CWIFR's fleet maintenance function and support a regional apparatus maintenance program.

STATION 54



Existing Station

- 3 Drive Through Bays
- 1 Back In Bay (Short)
- Classroom
- 2 Restrooms (No Showers)

New Addition

- 4 Sleeping Rooms
- Restrooms with Showers
- Living Quarters/Kitchen
- Laundry
- Office Space
- Workout Area
- Expanded Storage
- Automatic Sprinkler System

STATION 53



**New
Addition**

**Existing
Station**

**New
Addition**

**New
Addition**

Existing Station

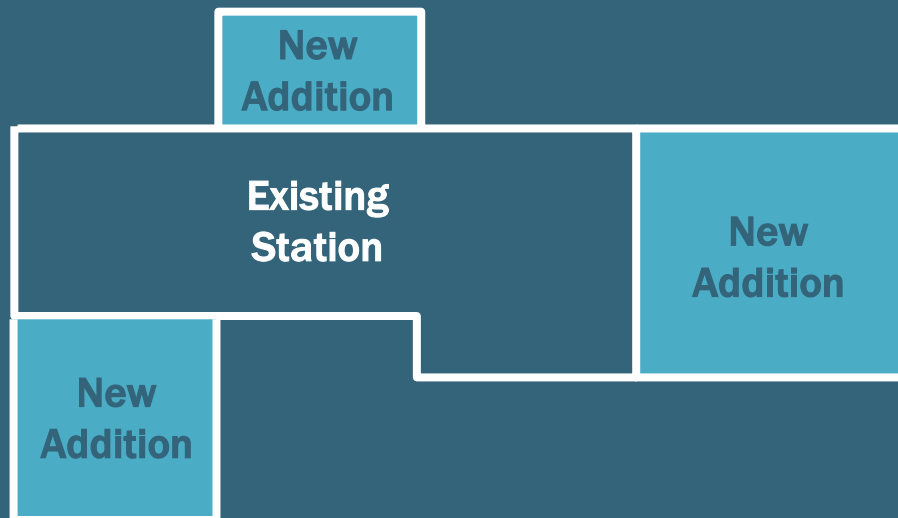
- 2 Drive Through Bays
- 3 Back In Bays
- 1 Back In Bay (Short)
- Classroom
- Office Space
- 2 Restrooms (No Showers)
- Limited Storage Space

STATION 53



New Additions

- 6 Sleeping Rooms
- Restrooms with Showers
- Living Quarters/Kitchen
- Laundry
- Office Space
- Workout Area
- Conference Room
- Community/Classroom
- Administrative Offices
- Bunker Gear Storage
- Decon Area
- 3 Extended Apparatus Bays with High Ceiling
- Expanded Storage
- Automatic Sprinkler System



One of the extended apparatus bays provides space to meet immediate apparatus maintenance needs

STATION 51

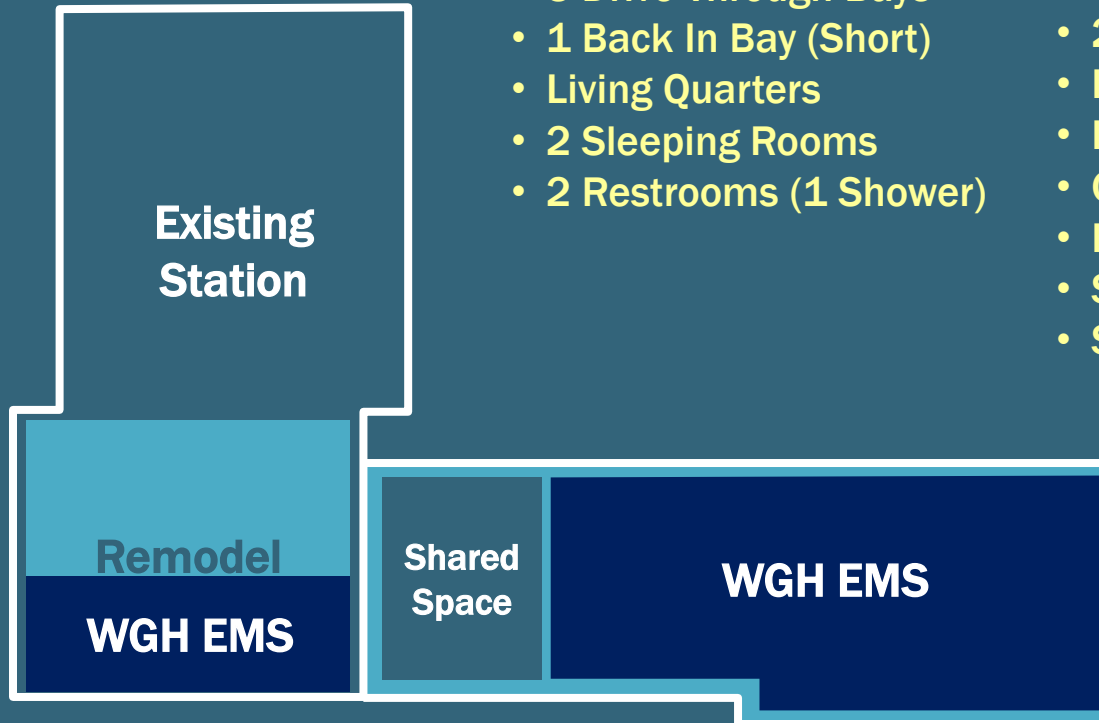


Existing Station

- 3 Drive Through Bays
- 1 Back In Bay (Short)
- Living Quarters
- 2 Sleeping Rooms
- 2 Restrooms (1 Shower)

New Addition

- 4 (Total) Sleeping Rooms
- 2 Restrooms with Showers
- Living Quarters/Kitchen
- Laundry
- Office Space
- Expanded Storage
- Shared Workout Area
- Shared Class/Conference Room

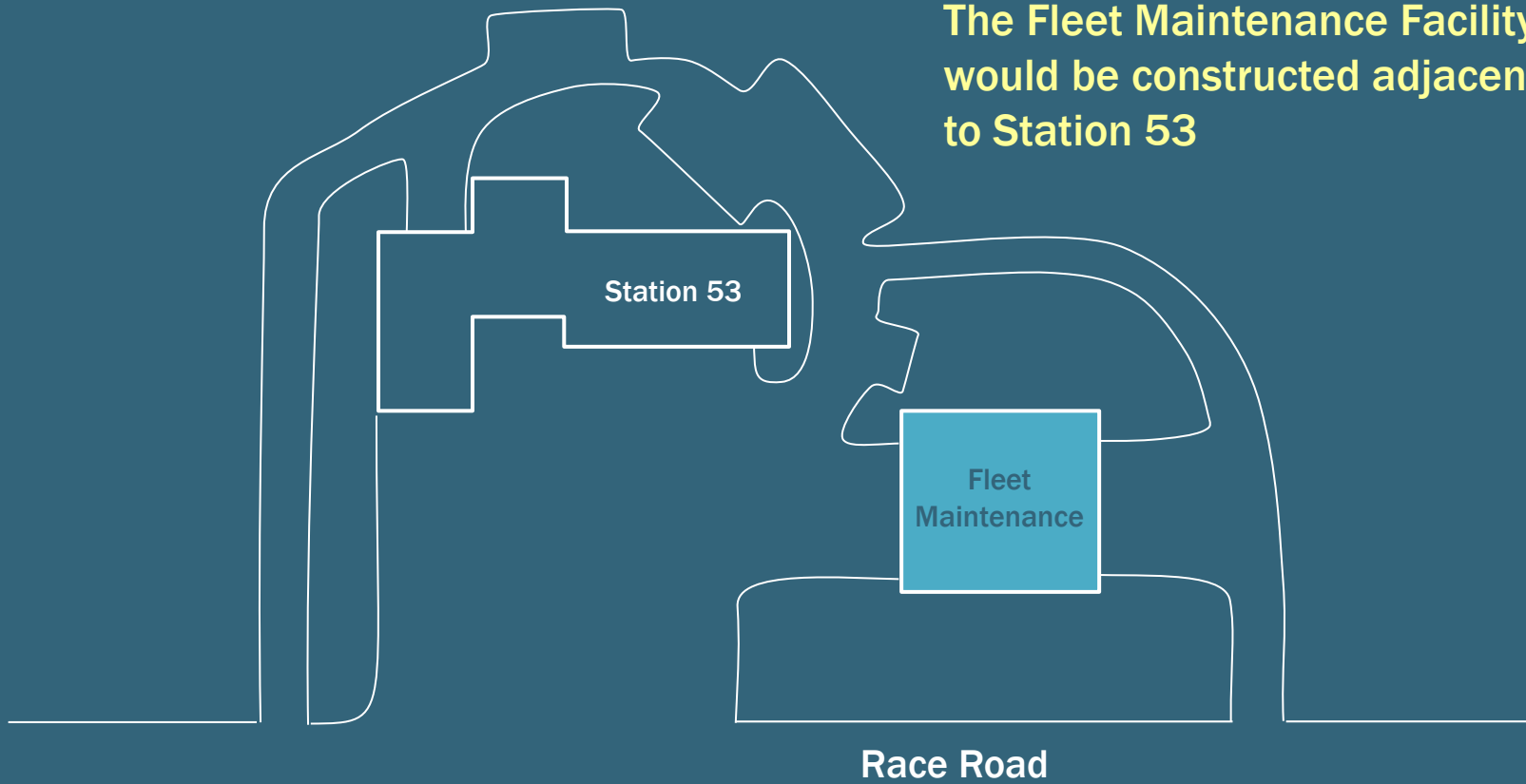


CWIFR Facilities Plan addresses WGH EMS needs on a conceptual basis only (additional discussion required)

FLEET MAINTENANCE



The Fleet Maintenance Facility would be constructed adjacent to Station 53



Site work may be completed in conjunction with renovation of Station 53 to save on overall cost.

FLEET MAINTENANCE



New Facility

- 3 Double Length Maintenance Bays
- 2 Restrooms with Showers
- Parts Storage
- Tool Room
- Office Space
- Metal/Wood Shop Area
- Parts Washing Area
- Tire Service Area

The Fleet Maintenance Facility would be constructed to facilitate expansion to serve expanded regional apparatus maintenance.

Future Expansion
(Additional Bays)

New
Fleet Maintenance
Facility

CAPITAL FACILITIES COST



The Facilities Planning Working Group and Architectural and Engineering Firm Rice Fergus Miller was tasked with assessment of the District's facilities needs extending through the next 50 years.

Station 54	\$1,155,000
Station 53	\$3,230,000
Station 51	\$1,373,000
Fleet Maintenance Facility	\$4,877,000
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Total	\$10,635,000

Important! This is not a formal cost estimate (which will be included in the final Long Term Facilities Plan), but simply a gross estimate based on cost/square foot of similar facilities in the region.

ANALYSIS



CWIR Long Term Capital Facilities Plan

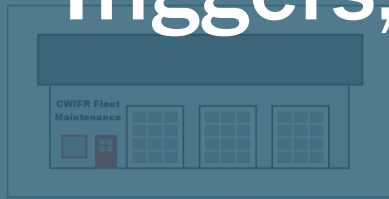
Driving Forces

Constraining Forces

Strategic Triggers

Other Considerations

The Facilities Planning Working Group analyzed each of the potential capital facilities projects on the basis of Driving Forces, Constraining Forces, Strategic Triggers, and Other Considerations.



- Space limitations
- Addition of fleet maintenance function
- Limited apparatus storage space
- Limited living quarters
- Limited administrative space
- Need for long-term maintenance storage and low ceiling height for apparatus
- Limited living quarters
- Limited administrative space
- Industrial hygiene (decontamination, diesel exhaust)
- No physical training facilities
- Need for improved response times to FMZ 54 (high building & population density)
- Lack of auxiliary power generator
- No living quarters
- No administrative space
- Industrial hygiene (decontamination, diesel exhaust)
- No physical training facilities
- Need for improved response times to FMZ 54 (high building & population density)
- Potential to generate revenue with an expanded (regional) maintenance function or contracts for service.
- Potential need for additional staff (expanded maintenance function or contracts for service)

- Cost
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Potential timing conflict with WGH EMS expansion
- Impact of construction on operations
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Relationship and coordination with WGH
- Impact of construction on operations
- Limited call volume in FMZ 54
- Changes needed for septic system
- Water system limitations
- Concern regarding debt (political)
- Limited call volume in FMZ 54
- Changes needed for septic system
- Water system limitations
- Lack of current reserves for capital facilities projects
- Potential public perception of excess capacity (Island Transit)

- Need for adequate space for existing staff (current)
- Need for adequate space for functions (current)
- Additional staff (volunteer/part-time/full-time)
- Regional consolidation (RFA)
- WGH EMS expansion (start/dates)
- Changes in the EMS system
- Additional staff (volunteer/part-time/full-time)
- Increased call volume in FMZ 51
- Changes in call volume (disturbance program) out of area volunteers, resident program)
- Increased in call volume in FMZ 54 (not anticipated in the near future)
- Potential for regional collaboration (SWIFT)
- Regional consolidation (RFA)

- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Changes in shift schedule
- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Existing contractual conditions regarding shared ownership of Station 51
- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Consider potential types of apparatus to be serviced in the future (e.g., aerial ladders)

STATION 53 DRIVING FORCES



- Space limitations
- Addition of fleet maintenance function
- Limited apparatus storage space
- Limited living quarters
- Limited of administrative space
- Lack of storage
- Industrial hygiene (showers, decontamination, diesel exhaust)
- Limited physical training facilities
- Configuration-Impact on turnout time
- Lack of sprinklers (main building)
- Need for a more inviting environment (volunteers)
- Ample land area for expansion
- Need for longer apparatus bay (boat and tow vehicle)

STATION 53

CONSTRAINING FORCES



- Cost
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Potential timing conflict with WGH EMS expansion
- Impact of construction on operations

STATION 53 STRATEGIC TRIGGERS & OTHER CONSIDERATIONS



Strategic Triggers

- Need for adequate space for existing staff (current)
- Need for adequate space for functions (current)
- Additional staff (volunteer/part-time/full-time)
- Future Regional consolidation (RFA)

Other Considerations

- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Changes in shift schedule

STATION 51 DRIVING FORCES



- Space limitations
- Limited living quarters
- Limited administrative space
- Industrial hygiene (decontamination, diesel exhaust)
- No physical training facilities
- Need for a more inviting environment (volunteers)
- Whidbey General Hospital (WGH) EMS expansion
- Call volume (highest of all FMZ in the District)
- Need for improved response times to FMZ 51 (high building & population density)
- Lack of auxiliary power generator

STATION 51

CONSTRAINING FORCES



- Cost
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Potential timing conflict with WGH EMS expansion
- Impact of construction on operations

STATION 51 STRATEGIC TRIGGERS & OTHER CONSIDERATIONS



Strategic Triggers

- WGH EMS expansion (specific plan/dates)
- Changes in the EMS system
- Additional staff (volunteer/part-time/full-time)
- Increased call volume in FMZ 51

Other Considerations

- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Existing contractual conditions regarding shared ownership of Station 51

STATION 54 DRIVING FORCES



- Space limitations
- No living quarters
- No administrative space
- Industrial hygiene (decontamination, diesel exhaust)
- No physical training facilities
- Lack of sprinklers
- Need for a more inviting environment (volunteers)

STATION 54

CONSTRAINING FORCES



- Cost
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Limited call volume in FMZ 54
- Changes needed for septic system
- Water system limitations

STATION 54 STRATEGIC TRIGGERS & OTHER CONSIDERATIONS



Strategic Triggers

- Changes in the the District's staffing model (e.g., out of area volunteers, resident program)
- Increased in call volume in FMZ 54 (not anticipated in the near future)
- Potential for regional collaboration (SWFE or WGH)
- Response time in FMZ 54, 5431, and 31)

Other Considerations

- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects

FLEET FACILITY DRIVING FORCES



- Extremely limited space in existing Station 53
- Incompatible uses (maintenance, apparatus storage, physical training)
- Low ceiling height in existing Station 53 (lift)
- Potential to generate revenue with an expanded (regional) maintenance function or contracts for service.
- Potential need for additional staff (expanded maintenance function or contracts for service)

FLEET FACILITY

CONSTRAINING FORCES



- Cost
- Concern regarding debt (political)
- Lack of current reserves for capital facilities projects
- Potential public perception of excess capacity (e.g., Island Transit Maintenance Facility)

FLEET FACILITY STRATEGIC TRIGGERS & OTHER CONSIDERATIONS



Strategic Triggers

- Interlocal agreement with other agencies
- Regional consolidation (RFA)

Other Considerations

- Bond versus lid lift (timing)
- Cash flow
- Phasing of capital facilities projects
- Consider potential types of apparatus to be serviced in the future (e.g., aerial ladders)

SEQUENCING



Priority Based on Operational Impact

1. Station 53 Fleet Maintenance
2. Station 51 *Dependent on Strategic Triggers*
3. Station 54

Priority Based on Collaboration with WGH EMS

1. Station 51 Fleet Maintenance
2. Station 53 *Dependent on Strategic Triggers*
3. Station 54

Note: Station 51 & 53 renovation could be sequenced to allow relocation of fire administration to Station 51 (current WGH EMS offices during Station 53 renovation).

FISCAL POSITION



- The District is debt free (GO Bond retired in 2011)
- Revenue is projected to be sufficient to maintain a General Fund beginning balance of 43% of budgeted M&O expenses through 2020 (2015 Adopted District Budget).
 - This beginning balance is required to meet expenses in the First Quarter until receipt of tax revenue and to maintain adequate contingency funds (Draft Standard Operating Guideline 1.3.7 *Revenue & Cash Management*)
 - The District will need to present a lid lift to the voters in order to maintain current service levels beyond 2020.

FINANCIAL GIVENS



- The Washington State Constitution limits annual increases in property taxes levied to 1%, plus revenue from new construction added to the tax rolls in the previous year (Washington State Constitution Amendment 95 Article 7 Section 2).
- The Revised Code of Washington (RCW) limits fire districts to a maximum regular property tax rate of \$1.50/\$1000 of assessed value (RCW 52.16.130, 140, 160).

REVENUE ASSUMPTIONS



- **Assumption R1:** The District's Assessed Value (AV) will stabilize and will likely increase slightly over the next year (2015).
- **Assumption R2:** The District's AV will increase slowly over the next several years, reducing the District's levy rate while maintaining a maximum 1% increase in the District's maximum tax levy.
- **Assumption R3:** The District will collect 96% of property taxes in the year in which they are levied (based on historical data for tax collection within the District).

REVENUE ASSUMPTIONS



- **Assumption R4:** Revenue generated through Interlocal Agreement between the District and WGH to staff a BLS Ambulance will continue through 2015.
- **Assumption R5:** The Interlocal Agreement between the District and WGH to staff a BLS Ambulance will continue with the same general terms beyond the end of 2015.
- **Assumption R6:** In 2014, the District saw a 100% increase AV added to the tax rolls due to new construction. It is not anticipated that this level of increase will be sustained, but that new construction will slowly rebound and maintain a consistent level in the near to mid-term.

EXPENSE ASSUMPTIONS



- **Assumption E1:** The Consumer Price Index (CPI) is likely to increase between 2% and 3% per year over the next several years.
- **Assumption E2:** The cost of equipment and services not included in the CPI are also likely to increase between 2% and 3% per year over the next several years.
- **Assumption E3:** Regional increases in minimum wage to \$15.00/hour and potential for an increase in the state minimum wage will have a direct or indirect impact on personal services expense for the District's part-time staff (and potentially full-time staff due to compression between the lower and higher pay grades).

CAPITAL PROJECTS POLICIES



- The District will maintain its physical assets at a level that is adequate to protect its capital investment and to minimize future maintenance and replacement cost. The District budget will provide for adequate maintenance and orderly replacement of capital assets.
- CWIFR will maintain a multi-year plan for capital improvements that is in alignment with the District's Strategic Plan, update it annually and make all capital improvements in accordance with the plan.

CAPITAL PROJECTS POLICIES



- The capital and operating budget processes shall be integrated to allow consideration of operating and capital expenditures within the context of the current and projected fiscal condition of the District.
- The District shall transfer sufficient revenue from the General Fund to the General Capital Projects Fund on an annual basis to fund replacement of capital assets having a useful life of 25 years or less (e.g., fire apparatus, other vehicles, and equipment) with current revenue whenever possible.
- The District will consider issuance of debt for large capital projects having a useful life in excess of 25 years (e.g., facilities).

FISCAL CONSIDERATIONS



- The District will need to present a lid lift to the voters some time in the next five to six years
- If the District continues to invest in the General Capital Projects Fund at the current rate, it will be 100% funded for apparatus and equipment by 2024 (see the first bullet)
- The Capital Projects Plan and General Capital Projects Fund does not (currently) address capital facilities.
- In 2014 the Board adopted a debt policy that specified consideration of debt for projects with a useful life in excess of 25 years (Standard Operating Guideline 1.3.10 *Capital Projects*).

FISCAL CONSIDERATIONS



- The District does not have and is not projected to have sufficient revenue to support capital facilities improvements.
- A councilmatic bond (non-voter approved) must be repaid with revenue within the \$1.50/\$1000 AV limit.
- Revenue for payment on a voter approved bond is outside the \$1.50/\$1000 AV limit.
- Whidbey General Hospital has indicated intention to proceed with the expansion of the EMS facilities at Station 51 within the next two years.

POLICY QUESTIONS



- Should staff develop the District's Long Term Financial Plan to include use of voter approved debt to address capital facilities needs?
- If yes, given the pending need for a lid lift to maintain current service levels beyond 2020, when should the District consider presenting a bond measure to the voters (before or after the lid lift)?

The answers to these important questions will guide development of the District's Long Term Financial Plan.