

⑧ FIRE--INTERGOVERNMENT

N/C ✓

SF-Consolidation - Regional

**MERGER/CONSOLIDATION**

**EFFICIENT AND EFFECTIVE**

**EXECUTIVE LEADERSHIP**

BY: Dale S. Kamrath, Fire Chief  
Fernridge Rural Fire Department  
Veneta, Oregon

**FOR REFERENCE**

Do Not Take From This Room

An applied research project submitted to the  
National Fire Academy as part of the Executive  
Fire Officer Program

December 17, 1994

FEMA - 11/95

## ABSTRACT

Efficient and cost effective service is one of the most important issues facing the fire service today. With issues of taxpayer revolt and government mandates facing the fire service, administrators must be prepared to look under every stone for solutions to these issues.

The purpose of this research paper was to determine what procedures and issues the fire service administrators must look for, in trying to solve their problems through cooperative arrangements such as mergers.

I have used descriptive research in answering the research questions through literature review and personal interviews. The questions were:

- 1) What steps should be taken to provide a complete opinion as to whether to utilize the merger process?
- 2) What disadvantages are there in merging with other organizations?
- 3) What advantages are there in merging with other organizations?

4) How do you prepare for managing the changes that will come with a merger?

This research determined that for the last 20 years the same issues of trying to be efficient and cost effective have been plaguing fire administrators. There is a great deal of literature written on how to look at providing this improved services.

This research found that most authors previewed, felt that mergers/consolidating were one of the best methods to provide for cost effective and efficient service. The method of accomplishing the merger was discussed, with the very basic intentions of keeping the public and your personnel informed of the issues, as the leading success point.

## TABLE OF CONTENTS

	PAGE
Abstract.....	ii
Introduction.....	1
Background and Significance.....	1
Literature Review.....	2
Procedures.....	10
Results.....	11
Discussion.....	16
Recommendations.....	18
References.....	19

## LIST OF TABLES

Table 1.....	12 & 13
Table 2.....	14 & 15

## LIST OF APPENDIXES

Appendix A.....	Public Newsletter
-----------------	-------------------

## INTRODUCTION

Providing efficient and cost effective services is a goal of most fire service administrators in todays society. The need to continually look for methods to insure this has led me to research this subject of consolidation/merger to try to answer the following questions:

- 1) What steps should be taken to provide a complete opinion as to whether to utilize the merger process?
- 2) What disadvantages are there in merging with other organizations?
- 3) What advantages are there in merging with other organizations?
- 4) How do you prepare for managing the changes that will come with a merger.

By evaluating the information researched, one should be able to determine the answers to these questions.

## BACKGROUND AND SIGNIFICANCE

As our society changes and administrators must provide more

services for the same or less revenues, we find that they must be more creative and flexible in their operations. This has brought forth the renewed interest in sharing of services. As was discussed in the Executive Fire Officer Program, executives must be prepared to manage with change, not only due to the changing industry, but also the changes due to the older populations, cultures, and philosophies.

In the 1960's and 70's, the fire service was the good guy, the white hat, but as the 80's have progressed and now into the 90's, we find that the society is demanding that the fire service provide an efficient, cost effective service to the public.

The fire service will need to look for ways of improving this service without the free use of the tax-payers wallet as in the past. This paper will look at how utilizing mergers of services may provide the means to accomplish the "managing of change".

## LITERATURE REVIEW

Jan Thomas, in her article titled "When One Plus One Makes One" in the March, 1994 Fire Chief magazine, discusses the ongoing issue of consolidation (merger) for departments facing increased public demands with shrinking resources. She explains how more and more organizations are looking at a variety of options to provide the desired levels of service while conserving resources.

These options, as Thomas states, include functional consolidation, partial consolidation, operational consolidation, merger, and mutual aid. Thomas, also discusses the model produced by Volunteer Firemen's Insurance Services in their guidebook, "Fire Department Consolidation--Why and How To Do It Right". The model includes nine steps: 1) determining feasibility; 2) forming and activating an advisory group; 3) identifying key needs, issues, requirements and constraints; 4) developing goals and objectives; 5) establishing criteria for selecting programs and approaches; 6) developing and analyzing alternative programs and approaches; 7) formulating an action plan; 8) implementing the plan; and 9) monitoring implementation.

In the August, 1976 Fire Chief magazine, Charles H. Rule pointed out how the terms; inflation, recession, tax levy ceilings, lack of revenue, layoffs, and Fair Labor Standards Act may cause fire administrators to look for ways to conserve, or expend funds more efficiently in the near future.

He further stated the fire service is looked at as a non-revenue producing drain on the local budget and as a necessary evil by the city governments. The fact that regionalization may assist in cost savings ventures for the fire service must be investigated. In determining this approach, Rule states that one must look at issues such as: population, area, man-made and physical barriers, equalized valuation, and specific hazard areas. Also, in-depth

consideration of emergency alarm response patterns, fire station locations, command and supervision, personnel, emergency medical services, communication, central purchasing, training, fire loss management, and fire apparatus maintenance is necessary to provide the information to the analyst.

Economic problems will be a major contributor to the increased interest in consolidation of services, according to William H. Pepler, Jr. in his article titled "Grounds for Consolidation" in Fire Service Today, December, 1982. He stated that with a broader tax base, the cost of the department is spread out over a larger area, allowing the fire service to be less of a financial burden on an individual municipality as the leading advantage. The second major advantage is the elimination or reduction of overlapping or duplicate services.

Pepler further asks the question, what size for consolidation?, and then discusses the advantages of both small consolidations, as well as large countywide marriages.

In August, 1972 Fire Chief's article entitled "Fire Departments Mergers--A Survey", several leading fire chiefs from throughout the U.S. are asked questions regarding mergers. The leading objective as listed: To help take some of the load off taxpayers.



"Chief Edward J. Mandel of Mt. Clemens, Michigan, says that costs of a countywide service would show no decline the first year, then would drop by 30 percent for the second and third years, and then level off."

This article also asked the question "will it cut taxes?". Chief John Marquart of Kankakee, Illinois explains: "The reasons usually given for consolidation are to cut taxes, to save on insurance premiums, and to improve fire protection, in that order. I happen to think that improving fire protection should be first on that list."

Barry Doyle, in his June, 1982 Fire Chief magazine article explains how the countywide fire service has saved money in Pasco County, Florida. He states that the major goals of the proposed merger were to: 1) to unify, improve, and equalize fire service throughout the countywide system; 2) to further centralize management and reduce administrative costs; 3) to avoid duplication of facilities and equipment; 4) to strengthen the purchasing power of all the districts through bulk purchasing; 5) to achieve better fire ratings from the insurance industry, and thereby lowering fire insurance premiums to the residents; 6) to purchase capital equipment based on need rather than ability to pay; 7) to achieve flexibility in using manpower and equipment, also based on need; 8) to provide a unified training program; 9) to simplify maintenance

and upkeep of fire apparatus; 10) to provide a better working relationship among firefighters.

In this case the merger has addressed those concerns by accomplishing the following events during three years since merger of the Pasco County departments: 1) handling over 3000 requests annually for firefighting or other emergencies, saving an estimated \$24.5 million worth of property; 2) in 1980 lowering ISO rates for thousands of residential and commercial customers; 3) stepping up inspection services; 4) adding four new class A pumpers.

Charles H. Rule in his article "Consolidation/Regionalization: Answers For The Future?" January, 1992 Fire Chief magazine talks about funding for the fire service. In this article he points out how the same issues in his earlier article of 16 years ago are still causing the fire service problems, such as government mandates and tax revolts.

Rule states that consolidation/regionalization can offer many potential benefits, such as: central dispatching facilities; lower apparatus replacement requirements; enhanced career opportunities; joint training facilities; specialization of various personnel; potential ISO rating improvements; cost reductions through volume purchasing; fewer fire stations, because of larger-scale planning; faster response time; more efficient allocation of personnel; and increased service levels for the same dollars spent.

In a November, 1990 Executive Fire Officer (E.F.O.) paper by Glenn Johnson, titled "Feasibility Study of Joint Fire District Operations", he discusses the advantages and disadvantages of both a total merger of the districts, as well as the operational consolidations of the districts. He lists the advantages as: establishment of dedicated 24 hour command positions; increased staffing during the daylight hours; addition of dedicated mechanic position; expansion of student resident program; division of administrative duties between three officers; operations improvements; and fiscal responsibility.

He lists some of the disadvantages as: decentralization of influence; budgeting--how much; visibility of operations; potential labor problems; mixing of apparatus and equipment.

Mike Grill, in his article titled "How One Community Improved Its ISO Rating" in the March, 1991 Fire Chief magazine, discusses how the two departments providing protection to the Sierra Vista community merged into one successful organization. He discusses how the merging of departments led to the lowering of the ISO rating which in-turn led to decreased insurance premiums. This merger allowed the new organization to disburse its personnel more efficiently, employ a full-time training officer and provide faster response to parts of the community because of closer station locations.

A trial-based training venture was the leading cause for the merger in the article "Notes On A Successful Merger", April, 1984, Fire Chief magazine by Tracy Salcedo. She further discusses how the two departments took this positive outcome and built a very efficient and effective organization through the merger process. This process was initiated by looking at four options: 1) the integration of the two departments into one cohesive unit; 2) full automatic aid/joint response by two separate departments; 3) modified or limited automatic response; 4) mutual aid only.

She states that it took the conviction of the Fire Chiefs from both of the departments to forge this venture to the end. The chiefs were able to show that response would increase to all areas, cost savings from one of the chief's retirement, and economy of scale through bulk purchases along with the guarantee from the ISO of a rate reduction to a "3" from the existing "4" or "5" were very viable reasons to pursue the merger of the departments.

She further discusses some of the opposition to the merger from the town council of Fairfax, listing: loss of individuality of their town; loss of autonomy or sovereignty; and the loss of the Fairfax chief's position.

James Cragan, in his article titled "Fire Department Mergers" in the April, 1984 Fire Chief magazine, discusses five possible alternatives to providing better, more responsive, efficient and

effective fire and rescue services. They are: 1) county government assumes responsibility for all services; 2) county is divided into sections, with each section independently responsible for providing the services for the people living in that section; 3) a council of governments is formed to provide a policy umbrella under which each unit of government within the county, while maintaining its own autonomy, merges functionally to use existing equipment and manpower and to share support services; 4) existing configuration of service delivery systems remains the same but, where feasible, units of government voluntarily unite to initiate centralized support services; 5) regional authority that ignores even county boundaries is established to deliver services.

He then discusses areas of concern that need to be considered in determining which alternative would provide the best service. These areas include: communications, training, purchasing and supply, maintenance, fire loss management, station distribution, and personnel.

In the April, 1985 edition of Fire Chief, an article by Rich Olsen titled "Orange County's Successful Fire Department Merger" points out the process undertaken to pull 14 separate fire departments into one effective, efficient and more responsive organization. He points out that many of the issues listed in the earlier article by Cragan, 1984, have been utilized in this merger.

In addition, interviews were conducted with two individuals that are currently involved with conducting a study of merger of their respective districts. Chief Marty Nelson, was interviewed in regards to how a merger might increase the efficiency of the two districts involved. Chief Nelson, reiterated the comments of earlier research, in that a merger will not initially directly save money to the taxpayers. The savings will come from increased efficiency and improved services.

Darrell Parker, Board President, was interviewed in regards to the views of the politician of the organization. He also notes the improved service to the constituency and decrease in duplication of services.

## **PROCEDURES**

In selecting this topic, I examined the LRC (Learning Research Center) at the National Emergency Training Center, Emmitsburg, Maryland searching for subjects that dealt with the changing environments in dealing with monetary issues as well as service delivery. In thus choosing this subject, I then searched the LRC for related materials on mergers/consolidations/regionalizations, and located a great deal of literature. The limitations of these materials were that only the written opinions, or the perceived opinions were available and not the direct input into the collection of data or information.

I also examined the Lane Community College Library, Eugene, Oregon for selections on mergers. This research found no text specifically on fire department mergers; however, it did uncover numerous texts and manuals on consolidations and mergers as related to business in general. In addition, I reviewed the past few years of fire service periodicals and discovered several fire merger referenced articles, in the library at the Fernridge Rural Fire District, Veneta, Oregon.

In addition, two ongoing interviews during the past 24 months were conducted in regards to the subject matter of merger. The first, with Chief Marty Nelson, Crow Valley Rural Fire Protection District, Eugene, Oregon. The second, with Darrell Parker, Board President, Fernridge Rural Fire District, Veneta, Oregon. These interviews progressed through several months time as these two organizations have been involved in merger discussions.

## **RESULTS**

Relevant articles to the subject of merger have expressed and shown the need for finding ways to become more efficient and cost effective in providing emergency services.

As pointed out by Thomas, the issue of merger needs to be analyzed to determine the feasibility of the merger. The model

that she points out allows the organization to proceed through a step-by-step process, to determine whether the issue is valid.

Step Number	Description of process
1) Determine feasibility	At this stage potential avenues, specific benefits and possible challenges of consolidation are explored, and a recommendation is made whether to proceed. Commitments are obtained from all involved agencies and jurisdictions.
2) Form and activate an advisory group	Both a central executive committee and a number of working groups will be required. The executive committee will most likely consist of the chief and city or county manager for each participating jurisdiction. Working groups will be charged to develop specific elements of the plan.
3) Determine key needs, issues, requirements and constraints	Such issues, needs, requirements and constraints need not be resolved during this phase, but they must be identified so that they are not overlooked as the process continues. For example, if the consolidation involves paid and volunteer or combination departments, this issue should be brought to the table at this time.
4) Develop goals and objectives	Since these are the guidelines that will shape the ultimate nature of the consolidated organization, they must be developed with care and forethought. Remember that goals and objectives must be measurable and achievable to be effective.
5) Establish criteria for selecting programs and approaches	A myriad of possible goals and objectives will surface during the planning process, probably more than could reasonably be achieved. Therefore, a means must be established to determine which you will strive to achieve, and which will be put on the back burner. At the very least, suggested programs and approaches will need to be prioritized according to some rational method.



6) Develop and analyze alternative programs and approaches	The working groups draw up a long list of specific ways to enhance the organization; a range of options should be identified so that choices are not limited. Each option should be fully explained, including how it differs from the departments' current arrangements. Then, each alternative is analyzed according to its projected costs, benefits, political acceptability, legality and other characteristics. Any that do not meet the goals and objectives or the selection criteria identified earlier are rejected.
7) Formulate the action plan	This is the road-map that will guide your organization to the future you have chosen for it. The plan will outline a strategy for implementing the selected programs and approaches, such as staff cuts or reorganizations, or the use of facilities and equipment. The plan also must include criteria for evaluating the consolidation after it has been implemented. In short, the plan will outline every detail of the new organization and specify how each of the goals and objectives will be achieved. Nothing, however seemingly minor, should be left to chance or assumption.
8) Implement	Implementing the plan must be accomplished in accordance with the approved procedures, budget and schedule. During the implementation phase, all the good ideas that were chosen for the plan will become realities. While setting the big issues in motion will probably be largely taken care of in the consolidation agreement, challenges remain in implementing the details and acclimating staff and the public to the changes.
10) Monitor and evaluate	Monitor programs to determine whether and how closely they match intended results. Consider whether any problems are the result of unrealistic expectations, inadequate planning or shortcomings in implementation. Revise the plan as needed by reentering the planning process and reworking problem areas from there. If something needs to be changed, do it.

Table #1--Planning process for consolidation analysis

Once the organization follows a process, whether it is the one shown in Table #1, or some other method, they then can determine what the advantages and disadvantages are to the issue of merging.

Table #2 lists advantages as shown from the research as expressed by several of the authors.

Quicker response	A consolidated fire service would overcome political boundary issues, the closest units respond to the emergency.
Lower apparatus replacement requirements	Larger departments need fewer pieces of reserve apparatus for an equal number of front-line rigs. Consolidation also reduces the expensive duplication of specialized apparatus like aerials.
Enhanced career opportunities	Although the number of people at the topmost echelons is reduced, the organization as a whole is larger, which means that someone is always retiring or moving elsewhere.
Joint training facilities	We continue to send personnel to structural fires without giving them training in the hot, dark, toxic environment in which they are expected to perform. Regional burn facilities, acceptable to the EPA, could mitigate this problem.
Specialization of various functions	Smaller departments can't afford full-time training or code-enforcement and arson investigation.
Potential ISO rating improvements	As departments combine, the increased personnel available to deliver the service, as well as the increase in equipment will allow for reductions in ratings, which in turn allow for reductions in insurance premiums for the taxpayers.
Fewer fire stations	As larger scale planning is initiated, the possible redundancy in station placement may allow the closing or relocation of facilities.

Cost reductions through volume purchasing	Quantity purchasing may allow cash savings as the larger organizations can do a better job of shopping for the best price.
Reduction of redundancy of personnel	As the organizations join, each department does not need someone playing the role of fire chief, fire marshal, training officer, etc.. This allows a better utilization of personnel resources, which in turn allows for the specialization of personnel.

Table #2-- Advantages of mergers

Although all of the materials researched appeared to project that the authors were of the belief that consolidations/mergers were a very viable option to providing a cost effective and efficient alternative to the present operation, there were some disadvantages discussed.

These included, as Salcedo points out: 1) loss of autonomy or sovereignty; 2) loss of individuality; 3) bigger government is not always better government; 4) potential increase in some taxes, as departments are brought up to equality.

The last issue to look at in preparing for a merger is how to be prepared to manage the changes that will come with a merger. As pointed out by Chief Milton Q. Bullock, Metropolitan Dade County Fire Department, Fire Chief, August 1972; don't move into consolidation without knowing for sure what it will take to provide fire protection under the new arrangement. Especially from the beginning involve as many of the fire department personnel as possible. Finally, and probably the most important step, sell the

idea of consolidation well to two groups: 1) the fire department personnel; and 2) the public.

## DISCUSSION

Fire department mergers has been a sort of crusade over the last 15 years with myself. In the early 1980's I had the opportunity to see the fire service from the standpoint of an administrator, and it became apparent during this period that as was pointed out by Pepler, that small districts cannot afford to exist and provide the service that the taxpayers desire.

In 1987, I became the Fire Chief of Veneta Rural Fire Protection District. Shortly, thereafter three of the neighboring districts started meeting to see what if any, potential for merger was available to us. The talks broke up with the only progress being to look at contracting of specialty services, such as breathing apparatus repair.

In July, 1988 the Elmira-Noti Rural Fire Protection District became interested in contracting for operational, administrative and training services from Veneta, rather than hiring a administrator on their own.

This contract continued until January, 1990 at which time the two departments merged, and became the Fernridge Rural Fire District. This merger allowed the two small departments to become similar to Salcedos' example of Fairfax, merged and now capable of hiring personnel to specialty positions, such as fire protection and training. This merger has also allowed the district to purchase capital equipment, such as: heavy rescue; (2) class "A" pumpers; and build a headquarters station. None of these items would have been possible had the departments remained separate organizations.

This new department has continued to move forward into providing cost effective and efficient service, and has for the last two years been talking with three other districts in regards to merging or combining services. During this time the Walton and Crow Valley Rural Fire Protection Districts, have been training with the Fernridge Districts personnel on a regular basis. Additionally, all three departments have entered into automatic aid agreements to provide better service delivery to the patrons of each district.

During these merger discussions many of the ideas and suggestions of Thomas, regarding study groups and advisory committees have been taking place. These groups have been gathering information, evaluating programs and as Rule expressed sharing the information with the public and the departments

personnel. Appendix "A" shows a copy of one of the newsletters that were distributed to all patrons of the four districts during these study periods, attempting to keep them informed as to the progress of the study.

## RECOMMENDATIONS

As the research was conducted on this subject, it was apparent that to survive in the fire service, a organization must be prepared to look forward and provide cost effective service to the public. As most of the authors reflected, the taxpayer is not prepared to continue giving his wallet to government to do with as they wish. The fire service needs to look at ways to provide greater efficiency for less money. There are many ways to provide this efficiency; however, as pointed out with this research, reducing redundancy, reducing costs, improving service and lowering insurance premiums, are to name a few examples of benefits of mergers, providing for the need to analyze the issue and determining if merger is the method for providing the future needs of the community in its entirety.

One must remember though; as Chief Malty Nelson expressed, "Getting more for less is simply not realistic. Through merger we can expect our taxes to be used more effectively through a reduction in the duplicated expenses each district currently struggles to meet."

## REFERENCES

- Cragan, James (1984, April). Fire Chief, p.51-54.
- Doyle, Barry (1982, June). Fire Chief, p.36-38.
- "Fire Departments Merger-A Survey"(1972, August). Fire Chief, p.45-49.
- Grill, Mike (1991, March). Fire Chief, p.34-106.
- Johnson, Glenn (1990, November). Executive Fire Officer Paper,
- Nelson, Marty (1992-1994). Personal Interview.  
Eugene, Oregon.
- Olson, Rich (1985, April). Fire Chief, p.64-67.
- Parker, Darrell (1992-1994). Personal Interview.  
Veneta, Oregon.
- Pepler, William H. Jr.(1982, December). Fire Service Today, p.31-32.
- Rule, Charles H. (1976, August). Fire Chief, p.67-71.
- Rule, Charles H. (1992, January). Fire Chief, p.32-34.
- Salcedo, Tracy (1984, April). Fire Chief, p.72-73.
- Thomas, Jan (1994, March). Fire Chief, p.105-106.

## APPENDIX A



# UNITY PROGRESS



A NEWSLETTER ON FIRE DISTRICT MERGER  
Crow Valley, Fernridge, Lorane, Walton



## MERGER? WHY?

The primary concern of the public is that there will be reliable help available when there is an emergency. Ensuring that this help is available on a consistent basis and operating at the highest level of efficiency possible is the focus of the merger concept.

In the beginning, as citizens saw a need for fire service protection, fire departments were established, with subsequent formation of districts, to meet that perceived need with few plans for future development. Initially these communities were separated by distances that precluded establishment of an overall system. The thought seemed to be that we could each take care of our own. Once formed, a strong sense of pride and accomplishment developed within each of these organizations coupled with an attitude of competitiveness toward neighboring fire departments.

As time went on, our areas grew with an influx of more people, and a change of perception regarding the community protection needs. Citizens came to expect a higher level of emergency service well beyond the "neighbors showing up to help" methods of the past. The mission of the fire service shifted from a primary focus on fire suppression to a greater involvement in the realm of emergency medical service. Some philosophers contend that change is the only constant. Fire districts in the area responded to these changes as best they could given existing limitations. More fire stations were built, more equipment was purchased and in some cases personnel were hired.

To accommodate additional requirements for response to emergencies, these departments entered into mutual aid and automatic mutual aid agreements. This helped to reduce the need for some types of resources, but did

nothing to address extensive duplication throughout the entire system. Consider the fact that: Each fire district has the same number of board members (5) responsible for the same leadership and governing acts. Each has its own fire chief responsible for the same duties as any other and wearing several hats to accommodate necessities of daily operations. Each fire district has similar, if not the same, set of goals and mission statement. Each has a need for purchase and maintenance of similar equipment. Each has a similar need for insurance and legal representation, the list can go on extensively. Why so much duplication in such a small area? The answer is related to our pride of development, identity and desire to be in absolute control of our situation and destiny.

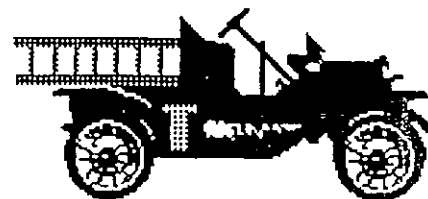
Reducing redundancy is clearly a good reason to consider merger of any group of organizations. Wouldn't it be better to be able to utilize the unique talents within each organization to a greater capacity? However, there are additional reasons beyond our immediate control. The Oregon constitutional amendment known as "Measure 5" brings a host of uncertainties relating to the adequacy and reliability of future funding for special districts. As the true effects of the measure come into play, we will be thrown into a more competitive mode for already limited tax dollars. We will also need to be able to compete more effectively in the political arena due to measure 5. As a larger single entity, we will be more effectively able to compete for necessary funding, and we will be capable of exerting significant political influence.

We must also recognize that there are other state and federal agencies who have the ability and responsibility to enact and enforce mandated regulations which affect our operations. Management of these regulations require strong professional administration often beyond the time commitment capability

of a totally voluntary chief officer. Some of these regulations also place an extreme burden on our limited financial resource. Failure to adequately comply with these regulations can increase liability issues for the district. If we are larger we can distribute this burden more effectively.

There are those political prophets who foresee a mandate, from higher powers, to reduce the number of small governmental entities, ordaining that there shall be a merger of these entities. We can maintain local control of our destiny through designing a merger that meets our needs.

The bottom line is that we have a greater opportunity to deliver a more efficient, consistently reliable, and cost effective system through merger, than through staying as we are.



## CONSOLIDATION vs. MERGER

A merger, under Oregon state statutes, is one means by which two (2) or more government entities can combine. Through a merger, there is a surviving entity which has the distinction of the new entity's identity and has the tax-rate under which the new entity shall exist. For example, under the merger between Elmira-Noti and Veneta fire districts, Veneta was the surviving fire district and their tax-rate of \$3.12 per thousand was assessed on the entire district which included the \$93 million assessed value of the Veneta District and the \$79 million of the Elmira-Noti District.

Continued next page.....

Cont.from last page.....

Under the merger process, all board members sit down and decide among themselves who the five board members will be for the new district. These five selected board members will serve until the next election date, at which time all five board positions will be up for election.

A consolidation differs in that rather than a surviving entity a whole new entity is formed by the combining of entities. This new entity must then go to the voters to elect the board members for the district's operation. These new board members would then decide on what tax base would be needed to operate the new entity. Then the tax base proposal would be presented to the electorate for possible passage. Under the consolidation method the new entity would have no board of directors, or tax base until the issues could be passed by the electorate at some future election.

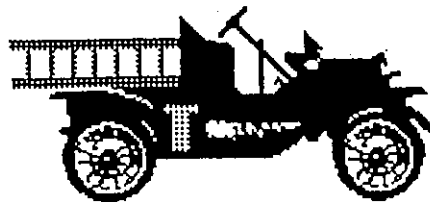
Merger or consolidation can be initiated by one of two methods. The Board of Directors of each entity passes a joint resolution requesting the act of combining be performed by the Boundary Commission; or a petition signed by the electorate of the entities may be submitted to the Boundary Commission for consideration.

In Lane County, due to the existence of the Boundary Commission, the patrons do not get the option to vote on the issue of merger. The method for public concerns being noted are during the public hearings held by the entities, and then the public hearing of the Boundary Commission during their decision process.

Representation of the different areas of the new district can occur in a couple of ways. Fire district Boards can be created to hold all positions as at-large, or they may be established as a ward or zone. In order to establish the district under a ward system, the question must go to the electorate for vote, and then upon successful passage, would be set up to reflect equal population representation.

The Districts' Boards have the patrons' interest in mind and will

continue to utilize their good judgment to insure that the best service is delivered to the entire district regardless of the location of the incident.



## Fernridge Birth

In January of 1988 the Lane Rural, Elmira-Noti, and Veneta Fire Districts began to meet to consider what potential, if any, existed to increase efficiency, decrease costs and improve overall services of each of the districts through consolidation, mergers, or sharing of services through intergovernmental agreements. These meetings were held with Board members and Chiefs of each respective district, and was coordinated by the agencies legal advisor.

After several meetings of the group, it was determined that there was no immediate need for merger or consolidation. However, the concept of utilizing each others resources through contract rather than duplication of services made very good financial sense and led to several contracts including the use of Lane Rural's truck mechanic and breathing apparatus repair service by Veneta; and Elmira-Noti using Veneta's breathing air supply. At this point the meetings ended and further discussion ended.

In July of 1988, Elmira-Noti approached the Veneta Board, and requested the possible contract of Operation, Administration, and Training services from the Veneta District. This contract was entered into and the two districts continued for 18 months in this arrangement.

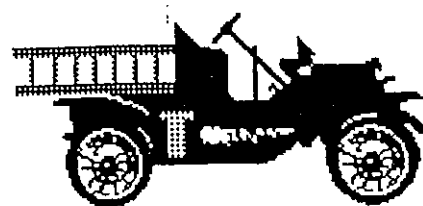
During this contract period, it was realized how the potential for savings of operational costs such as; legal fees, audit services, some insurance costs, duplication of administrators, etc., could be witnessed through the merger of the two districts. The Districts'

Boards then initiated the process to perform the merger.

On January 25,1990 the two Districts were merged by the Lane County Boundary Commission, with Veneta Rural Fire Protection District being the surviving district. The new Board (consisting of five members) being created by the total ten combined board members, then decided to change the District's name to Fernridge Rural Fire District.

Since the merger, we have seen the improvement of services through the relocation of equipment to various stations to insure adequate response to all areas of the District. Additionally, we have seen reductions in costs for audit services from \$4,840 in 1989 to \$2,403 in 1992; and legal services from \$5,397 to \$1,884 in 1991.

The last three years of operation have seen the addition of a heavy rescue; two new engines; and the completion of a main fire station that will fulfill the administrative and operational needs for the District for some time. All of these capital improvements have been paid for by funds that the District Board had started saving since the late 1980s as the Veneta District and continued into the present as the Fernridge Rural Fire District.



## MERGER PROGRESS

What opportunities exist to improve the reliability of providing efficient fire and life safety service delivery to the citizens of Crow Valley, Walton, Fernridge and Lorane fire districts? This question was the preface to a meeting held in December of 1992, where the Boards and Chiefs of these four fire districts met together for the first time to address common issues.

This meeting brought forth concerns  
Continued next page.....

Cont. from last page.....

regarding: funding uncertainties surrounding the effects of "Measure 5", coping with mandated regulations without adequate financial support, increased training demands, increased response expectations, and a host of others related to coming change and current duplication of efforts. We discussed the fact that we have a commitment to maintain an acceptable level of service to the public at an affordable cost. This commitment led to a brain storming session identifying areas which will need to be addressed in the study. The first meeting ended on a positive note with an agreement that we will commit the time and resources necessary to study the concept of uniting the four fire districts.

Some of the identified advantages of unification related to the ability to more efficiently utilize existing resources through a reduction of duplicated efforts. A potential for more effective use of existing limited funds. There is an opportunity to accomplish more in the realm of fire education and prevention through becoming a single district. Increased potential to standardize training, operations and equipment was also seen as a positive.

We also determined that there may be some negative concerns surrounding unification. These concerns related to: A loss of community identity. Increases in tax rate for some of the districts. Policy and philosophy differences. Is there a possibility for greater demands on the volunteers? Will an existing district lose what they have gained? The group agreed that these issues would have the highest priority in the study.

January 1993 brought us to the next meeting where the Boards agreed on four general areas to begin the study: Volunteer Concerns, Organizational Structure, District Patron Concerns, and Facilities and Equipment. Representatives from each fire district worked in each of these committees through meetings held in February, March, April, June and August to develop strategies that would enhance the value of the unification study.

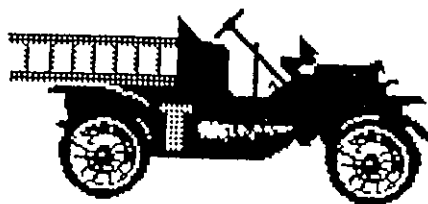
The committee working on organization structure also took a look at budget and tax base issues. Through analysis of current values of each district and their respective budgets, the committee determined that there is a total value of the area of \$375,074,388, and that the combined tax base is \$967,140.

With this information the committee drafted a possible future budget centered around a tax base of \$983,220 utilizing a tax rate of \$2.62 per thousand valuation.

The committee dealing with facilities, equipment and apparatus took a look at existing facilities and equipment and expected future expenditures in this area by requesting a five year capital outlay projection from each Chief. Though this information was interesting and gave a peek into future expectations, it was concluded that this committee should be placed on the back burner for now and that a focus needed to be placed on the areas of volunteer and patron concerns.

Both committees who were assigned tasks related to volunteer and patron concerns spent their time developing surveys designed to gain insight into vital areas needing attention. Surveys were distributed to all volunteers in each organization and sent to the citizens in each fire district, these are currently being tabulated. Analysis of this information can be timely and is of the highest priority for the group.

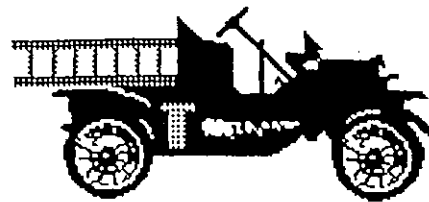
This newsletter is a direct result of the citizen survey. The intent of the study group is to keep you up-to-date regarding the study progress. Much of the information gained at this juncture will generate additional surveys in an attempt to narrow the field of study and identify issues which can be addressed immediately. Our commitment is to continue to investigate the opportunities that will insure that quality service to the public will continue on a reliable basis.



## CROW VALLEY GROWTH

August 2, 1966 is the official birth date for the Crow Valley Rural Fire Protection District. Over the past 27 years we have experienced a growth pattern that has benefited the entire District.

Initially, Crow Valley fire district covered approximately 69 square miles of territory with a few hearty individuals



as volunteers. The equipment at that time was comprised of trucks purchased from Los Angeles County Fire Department, 1930s and 1940s vintage. All other equipment was begged or permanently borrowed from other more affluent fire departments. The first fire station was a tarp over the truck behind the garage in Crow. The job was done at a level that was affordable and reasonable for those involved. As time went on actual stations were built and equipped within the original boundary, bringing the total to four stations. We continued to purchase fire engines from the surplus equipment of other fire departments, continuously upgrading. In 1973 we purchased our first new fire truck through a bond measure that lasted 15 years.

Over the years there have been two annexations which increased the coverage area of the District. The first was in 1975 bringing 4.5 square miles of the area often referred to as Spencer Creek into the fold. This annexation brought a strong contingent of volunteers, ready to give of themselves, into our station 3, and increased the general resource base of the District. The second annexation, in 1980, involved approximately 27 square miles in the Lorane Highway/Fox Hollow area. With this latest addition of territory, we needed to move what was station 4 to its current location on Lorane Hwy. This annexation also brought us greater resources and obligations.

Throughout these years we have increased not only our size, but also our capabilities as a fire/medical emergency provider. The next potential for growth may very well be through merger with other fire districts. This will not be done for any other reason than to attempt to provide a more efficient service to those we serve.



## CITIZEN SURVEY CONCERNS

It is abundantly clear that many of the concerns raised by your response to the citizen survey are the same as those expressed by the study group. Some of your input will promote further study areas while many issues can be addressed here and now.

Since the intent of the unification is to increase efficiency, there will not be any station closures. Nor will there be any reduction of equipment or the quality of that equipment. However, there is a potential for the improvement of equipment through the pooling of resources.

Granted bigger is not better, but the same can be said about smaller. There will be a greater need to improve communication and coordination between the volunteers and other staff. We will need to come to many agreements regarding the manner in which we do business. One major advantage of bigger is that there is a distinct capability to reduce duplication of efforts at the administrative level and to more effectively utilize the talents of individuals. Another is in the ability to provide quality training using a larger resource base.

We are each proud of the accomplishments within our respective communities and wish to continue to be a part of that success. Simply recognizing this fact helps to insure that the identity of each community will be maintained under the umbrella of the larger organization. Since we depend almost entirely on the gracious volunteer efforts of people living in each community, their feeling of belonging and being identified is of paramount importance.

Regarding the concern of local control; if the merger does indeed occur, the surviving governing body would ideally be made up of individuals from each respective area. However, this is surely dependant upon people being

willing to serve their communities in the capacity of board member. Each board member is charged with the duty to govern in a manner that serves the best interest of the whole, regardless of their residence or community of origin. This means that each board member must work with communities who may not have direct representation, it also means that a board member may not disregard the needs of the whole in favor of their own local interests. The main point regarding local control and the intent of Oregon statute regarding open meetings is that the public has the right and duty to be involved in their local government.

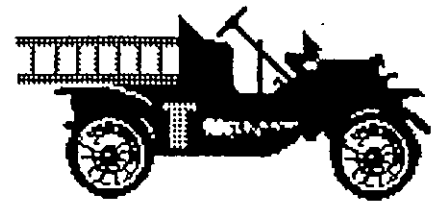
Response to emergencies will always be of concern for us all. Since each of these fire districts are staffed predominately through the use of volunteer personnel, there will be times when the response time is not what we would most desire. To be completely honest, there is only one way to improve response times under a voluntary system. More people need to make the commitment to become thoroughly involved in being trained and ready to help their neighbors. One thing that we can know for sure through merger, is that someone will respond to our emergency. There has also been concern expressed regarding units and personnel needing to respond from one remote area to another, ie. Lorane to Walton, etc. Rest assured that there will not be any expectation for units to move out of their area to the point that an area is not covered by any protection. After all, we currently have automatic response and requested mutual aid agreements in place and under these pacts no agency is expected to leave their area unprotected. This concept would not change under unification.

Money is always an issue. Consolidation will bring about a change in your current tax rate and, in all honesty, will most likely take the form of an increase. As demonstrated in another article in this newsletter, the merged rate may be in the neighborhood of \$2.62 per \$1,000 of assessed value. Please also remember that all of the people volunteering their time as fire fighters, board members and even those employed by each district also pay taxes to the district. The most important

issue to focus on regarding tax dollars is: Am I getting what I paid for? Getting more for less is simply not realistic. Through merger we can expect our taxes to be utilized more effectively through a reduction in the duplicated expenses each district currently struggles to meet.

Under this potential unification there will not be any loss of paid positions. There will be a redistribution of duties and tasks, however. In fact, there very well may be a need and the ability to increase the paid staff through a merger.

If merger is to occur and be successful, it will be because a considerable amount of time and energy has gone into studying the issues. We thank you for your time in filling out the latest survey and hope that you will continue demonstrating your interest through expressing your views, concerns and possible solutions.



## Lorane Volunteer Fire and Emergency Group History

The Lorane Volunteer Fire and Emergency Group was founded in June, 1973. Up until that time, the only fire protection for Lorane was from the Western Lane Forestry Service which was funded to fight forest and grassland fires only, and their trucks and equipment were located 25 miles away in Veneta.

The Lorane Volunteer Fire and Emergency Group entered into a twenty year lease in 1973 with the Crow-Applegate-Lorane School District on the land where the Lorane Fire Hall now stands.

The fire hall was built entirely from volunteer help and donated materials. Local lumber companies donated the materials and cash, and the equipment

Continued next page.....

Cont. from last page.....

was donated by Western Lane Forestry and Weyerhaeuser Co.

The annual "Ice Cream Social" is our main fund raising project but we began with our "Fire Breakfasts" to supplement the treasury.

In 1982, the Lorane community approved the establishment of a fire district by a vote of 125 to 56. The Lorane Rural Fire Department covers 12 square miles and approximately 725 people in 245 dwellings.

In 1983, the Lorane Rural Fire Department purchased the previously leased property, as well as adjoining property with the bus garage, from the school district.

At the time the district was established, it lowered the fire insurance rates in the district considerably. With the acquisition of more and better equipment, the insurance rate fell even more in 1985. The Lorane Rural Fire Department now owns two pumpers, three tenders holding a total of 12,000 gallons of water, one rescue unit, and one medical van.

As of 1990, we have purchased a Heart Start, two 2500 gallon Porta tanks, Jaws-of-Life Hurst Tool, and a CPaRlene CPR manikin. Some other items are: hard suction, a low-flow strainer and a floating strainer for the pumpers, a dump valve to be installed in a tender, and a pressure ventilating fan.

A number of the local citizens have been trained as Emergency Medical Technicians and have literally made the difference in a number of cases between life and death.

The new addition, completed in 1992, is our training center. The Lorane Rural Fire Department is proud to announce that this center was built using no tax monies. Lumber was donated by Bohemia, Inc. Additional expenses were paid through the proceeds from Hunter's Breakfasts, Ice Cream Socials, Donkey Basketball, sales of the Lorane Fire Phone Directory, dances and funds donated by the Lorane Centennial Committee following the Lorane

Centennial Celebration.

We have installed several water tanks in the area for water sources. We first put a 5,000 gallon tank on North Hill Road. The base was installed and paid for by Jack Graham. He had a local self-loader lift the tank onto the base and then painted it. We had the name installed by Dennis Hyde and his wife.

With the help of Western Lane Forestry, Georgia Pacific, Crow-Applegate-Lorane School District, Farwest Steel, Jay F. Oldham, and a lot

of volunteer time and effort, we installed a 36,000 gallon tank at the Lorane Elementary School.

We installed another 5,000 gallon tank on North Territorial. These water sources can be used by fire departments from Lorane, Crow, Cottage Grove and Western Lane Forest Protection District of Oregon State Forestry.

We have two more locations where we are going to be installing other tanks as soon as possible.

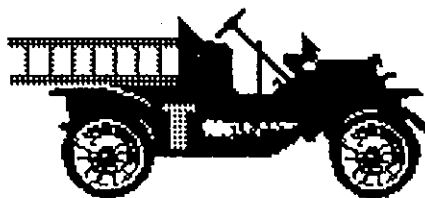


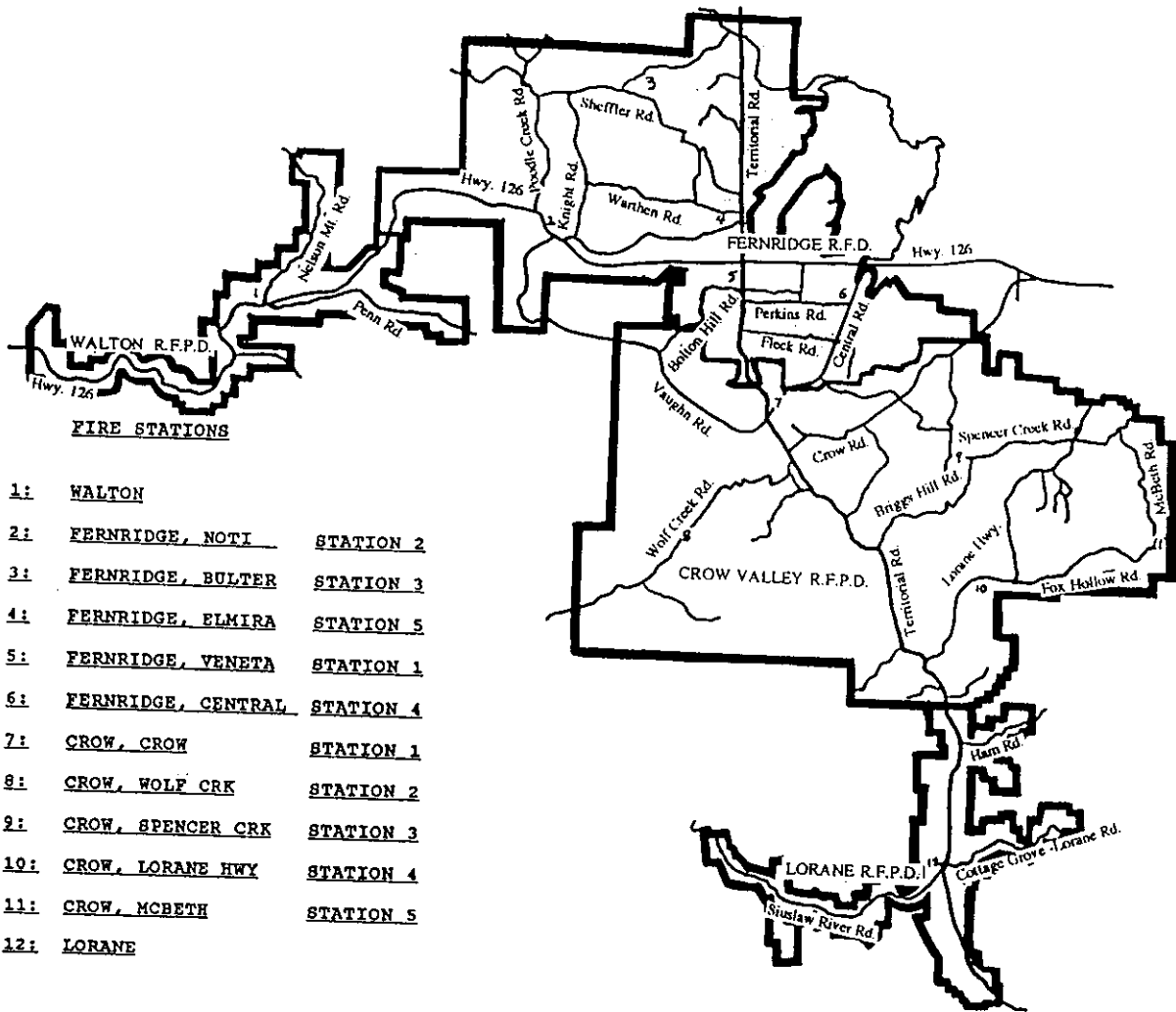
## LORANE R.F.P.D.

### TO MERGE OR NOT TO MERGE

**A MEETING WILL BE HELD AT THE LORANE GRANGE ON THURSDAY, JANUARY 13, 1994, AT 7:00pm. TO DISCUSS THE PROS AND CONS OF MERGER.**

**\*\*\*PLEASE ATTEND\*\*\***



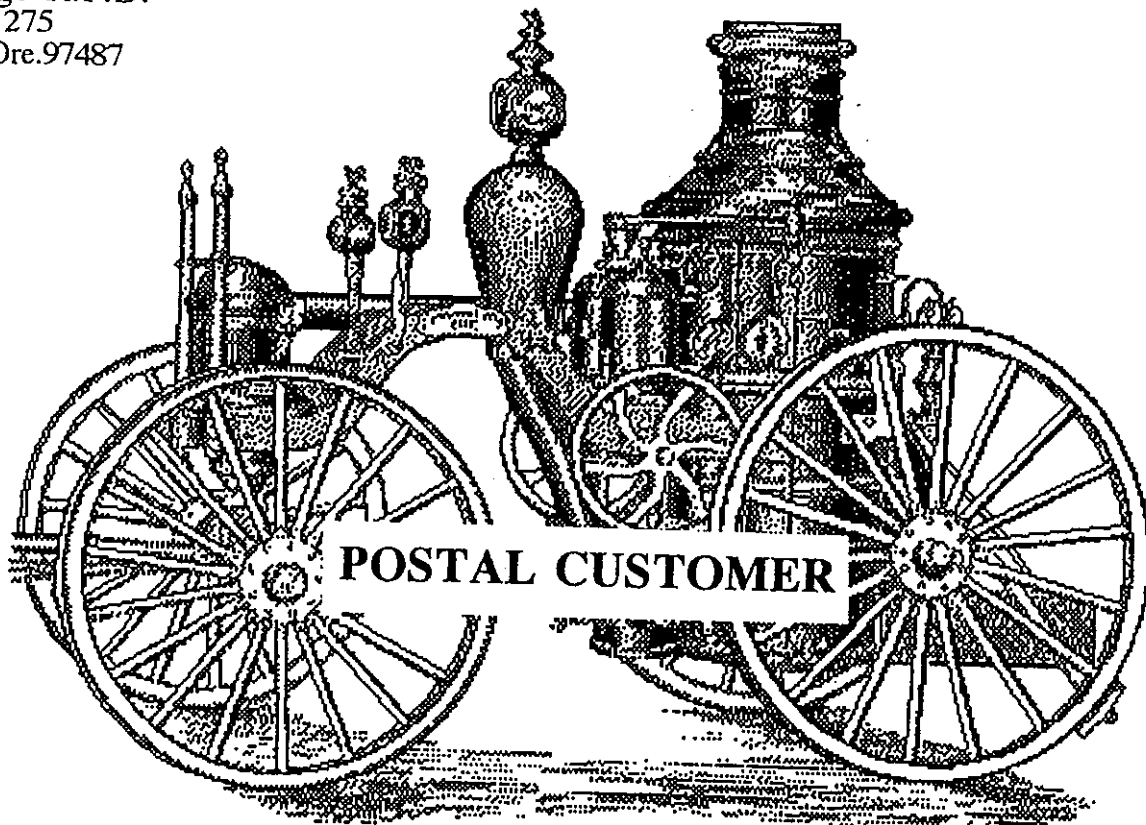


**FIRE STATIONS**

- 1: WALTON
- 2: FERNRIDGE, NOTI      STATION 2
- 3: FERNRIDGE, BULTER      STATION 3
- 4: FERNRIDGE, ELMIRA      STATION 5
- 5: FERNRIDGE, VENETA      STATION 1
- 6: FERNRIDGE, CENTRAL      STATION 4
- 7: CROW, CROW      STATION 1
- 8: CROW, WOLF CRK      STATION 2
- 9: CROW, SPENCER CRK      STATION 3
- 10: CROW, LORANE HWY      STATION 4
- 11: CROW, MCBETH      STATION 5
- 12: LORANE

Fernridge R.F.D.  
P.O.Box 275  
Veneta, Ore.97487

BULK RATE  
U.S. POSTAGE  
PAID  
"CAR-BT SORT"  
VBNETA, OR  
PERMIT NO. 22



**POSTAL CUSTOMER**