

**AGENDA
BIG LAKE CITY COUNCIL
WORKSHOP**

WEDNESDAY, SEPTEMBER 23, 2020

5:00 p.m.

- 1) CALL TO ORDER**
- 2) ROLL CALL**
- 3) ADOPT PROPOSED AGENDA**
- 4) BUSINESS**
 - 4A. Full-time Fire Chief Budget Discussion
 - 4B. DNR Lake Land Transfer Discussion
 - 4C. New Ideas Discussion
- 5) OTHER**
- 6) ADJOURN**

Disclaimer: This agenda has been prepared to provide information regarding an upcoming workshop of the Big Lake City Council. This document does not claim to be complete and is subject to change.

CITY COUNCIL WORKSHOP – COVID-19 NOTICE

Attendance at Workshops: All attendees are expected to follow CDC recommendations ensuring social distancing of at least 6 feet away from other persons. Some members of the City Council may participate in this Workshop via telephone or other electronic means on an as needed basis.



WORKSHOP ITEM

Big Lake City Council

Prepared By Clay Wilfahrt, City Administrator	Meeting Date: 9/23/2020	Item No. 4A
Item Description: FT Fire Chief Budget Discussion	Reviewed By: Deb Wegeleben, Finance Director Reviewed By: Mark Hedstrom, Assistant Fire Chief	

COUNCIL DIRECTION REQUESTED
 Discuss FT Fire Chief Position.

BACKGROUND/DISCUSSION

The Big Lake Volunteer Fire Department has been serving the Big Lake community for over 100 years. The Department is comprised of approximately 35-40 paid, on-call firefighters. The leadership structure consists of Five Captains, an Assistant Chief, and a Chief. The Assistant Chief makes \$4,800 annually, and the Chief makes \$8,400. The Department also began using a duty officer to respond to non-emergency calls to avoid paying a larger number of people to respond to a call. The Chief also gets paid for ancillary work like court appearances and development review.

The current system has worked well for a long time. However, recently there have been some issues with the way things operate. The Department logs 10,000 hours of response time, which is equivalent to 5 FTEs. The budget for the Department is about \$500,000 annually, and equipment, inspections, and regulations are becoming increasingly complex. In addition, the budget and capital planning process are best handled by someone with experience not always available in a pool of paid, on-call firefighters. Managing 40 people and handling day-to-day administration is challenging as well, particularly if leaders don't possess training or experience. For these reasons, City staff has contemplated the idea of a full-time Fire Chief.

Staff reviewed all Minnesota Cities between 8,000 and 14,000, and found that 19 of the 36 of the cities that have their own Fire Departments have a Full-Time Chief. Obviously this is not perfect information since Big Lake not only covers the City, but also the township. The total population of the Fire District is approximately 20,000. Regardless, it doesn't seem that there is a definitive line at which departments generally hire a full-time Chief. For further reference, Zimmerman, Elk River, and Monticello all have full time Chiefs. Becker does not.

There are several options that the Board can consider, hire a full-time Chief, remain with the status quo, or divest some administrative duties in other ways. Below we will analyze the costs and benefits of making a change as objectively as possible.

Hiring a Chief, is it Worth the Costs?

The first consideration when deciding to hire a Chief is knowing what the cost would be. The average salary for a full-time chief in cities 8,000-15,000 in Minnesota is just above \$86,000. That would be in the ballpark of what the City would expect to pay. With fringe and all other costs associated with employment, the total employment costs would grow to around \$140,000 annually. However, that number is able to be defrayed in a number of ways.

The JPA could change its leadership structure to eliminate the salary of the current Chief saving \$8,400 annually. Duty officer and non-emergency calls would decrease by an estimated \$5,000. The City could have the Chief perform commercial building inspections that would save approximately \$7,500 annually. If the City chose, it could also elect to do single-family rental inspections and annual business licenses and inspections for another \$16,050 in revenue. Duty hours could be decreased by \$16,000 annually, and development review could be reduced by \$2,000. The total of the savings and revenue would be around \$55,725. Leaving approximately \$84,275 to be divided between the City and Township.

City staff believes that the Fire Chief will spend significantly more time working on City projects than Township projects. The City would like this person to be in charge of Emergency Management for the City, and do some administrative duties currently done by the City Administrator pertaining to Fire protection. If that were the case, the city may be expected to fund up to 75% of the position, or \$105,000. The Township would pay \$35,000. The township would recoup \$1,000 of that from calls, and \$4,200 from the Chief's salary, 8,100 from reduced duty hours, and court time. The difference to the Township would be \$21,700 annually.

The City would pay \$108,750, but \$42,425 would be offset by the various savings. The City would have a budget impact of \$62,575. This change is currently in the city's 2021 draft budget, however if the position is not filled, the budgeted dollars can be spent elsewhere, saved for future expenditures, or removed from the budget entirely to lower the levy. A full breakdown of these costs and savings is attached to this memo.

Is there enough work to justify the position?

To give an idea of how much work is being done currently, the Chief and Assistant Chief have been tracking their hours for the past six months. These are hours for administrative duties like planning trainings, payroll, HR issues, capital planning, etc. Between the two positions, they are spending over 200 hours per month on average on these duties, and unfortunately, there are still things left undone. The Chief is spending an average of 24 hours per week, and the Assistant Chief is spending 17.5. For comparison, former Chief Halverson estimated that 50 hours were worked by the Assistant Chief monthly, and 70 hours by the Chief for hours covered by the stipend, not for calls. That would be 16 hours per week for the Chief, and 12 for the Assistant. Those numbers were estimates, and not based on recorded data. If we add eight hours each a week for calls, it would be a combined 44 hours per week.

When considering that the Chief and Assistant Chief also work about 8 hours per week responding to calls, these numbers are becoming unsustainable. At this point, we are asking these paid-on call employees receiving a minimal stipend to do a half to three-quarter-time job for a fraction of the salary. These employees all have other employment already. The hourly rate for the Chief and Assistant Chief calculates out to \$10.58-\$12.19 hourly. Either some duties will need to be divested to other volunteers, City or Township staff, or a full-time Chief will need to be hired.

Other benefits of a Chief

There is a financial cost of having a full-time chief, but there are also benefits.

- Adherence to policy and procedure – Body cameras are prevalent on every fire scene. This means that not only are the actions of police monitored, but also those of firefighters. Ensuring an adherence to our policies is paramount not only for the safety and wellbeing of our firefighters, but also to protect the City and Township from liability. Currently our policies are in need of an update, but it is a project that commonly gets put on the back burner because of other priorities.

- Grants – A full-time Chief would have more time to spend looking for grants. There is also surplus equipment available through the federal government that could more easily be acquired with a full-time Chief.
- Press interaction – The Fire Chief is often expected to provide press releases and TV interviews. This is a qualification that is expected of a full-time Chief, but not a volunteer Chief.
- Reports – Our reporting system could use some updating. We have had murder cases that have included hand-written reports. A judge shouldn't have to try to read someone's handwriting when determining whether or not someone committed murder.
- HR Administration – As the organization and rules advance, there is more need to spend time on HR administration. A lack of understanding of this knowledge can lead to big problems. Hiring a full-time Chief comes with an expectation of expertise in this specialty, hiring a volunteer Chief does not carry the same expectation.
- Finance Management – hiring a full-time Chief comes with the expectation of having managed budgets, capital equipment planning, and general finances. Hiring a part-time Chief does not carry the same expectation.
- Availability – with the paid on-call Fire Chief needing to have additional employment, they are not always readily available. They are subject to the availability of their regular job which means that it is difficult for them to be part of everything going on. This can lead to the position being in a silo of sorts and not well connected with City or Township staff.

Conversations with related Law Enforcement Agencies

I spoke with Sheriff Brott about the prospect of Big Lake moving towards a full-time Fire Chief model, and he shared some interesting perspective. Sheriff Brott's comments are not reflective of Big Lake specifically, but more representative of what he has seen collectively during his years in law enforcement at the County level.

1. **Body Cameras are creating an increased liability for the fire department** – Now that police are wearing body cameras at all scenes, policy violations that occur on scenes will be well documented. It will be increasingly important for fire departments to ensure that policies are reflective of current practice, and that those policies are being followed.
2. **Departments with full-time Chiefs generally exhibit greater adherence to policy both at fire scenes and outside the department.** – The presence of full-time staff allows for more time to be spent revising and training on department policies. Also, since the staff person enforcing the rules is full-time, there is a greater incentive and more time to enforce the rules.
3. **Departments with full-time Chiefs generally have better administrative procedures** – This again boils down to time. A full-time Chief will have the ability to spend a significant more amount of time managing things like Standard Operating Guidelines, Capital Improvement Plans, Budgets, Human Resources, etc.
4. **Grants are more easily applied for with a full-time Chief** – With more time to spend on administrative tasks, grants could be applied for frequently throughout the year. Also, surplus items could be sought from the Federal Government.

There are many considerations in a decision like this such as budget, politics, and past practice, but purely from the lens of a response to emergencies, Sheriff Brott felt a full-time Chief would benefit the department.

Moving Forward

What we have developed so far is a starting point for a conversation, but we need to understand the opinions of others. Here is a plan to get further feedback.

Township conversation – I reached out to Township representation on the Fire Board’s personnel committee. The Township prefers to wait to have this discussion until after the election.

Fire Department Conversation – If the Township is receptive to have this discussion, we will be holding a number of conversations with the Fire Department. We are going to develop a quick survey asking officers and firefighters what they think about this initiative. We will also be attending a full-department meeting to discuss this with them. I plan to ask a member of the Township to attend to listen in. This is not intended to persuade anyone, but instead to understand if there is support for the position among those in the department.

Fire Board – ultimately the Fire Board will be the body that makes this decision. As long as the other steps seem to suggest an interest in this position, I plan to bring this forward to the Fire Board in the fall.

Other Alternatives

Here are the other alternatives

Status Quo – The department could continue to operate as it has. This option obviously saves the department a lot of money. It also comes without the added services. That said, the Board may determine that the workload is not yet sufficient to justify the position.

Divesting work – If the Board believes that the current workload is not sustainable, there are other options to consider to resolve the issue.

- **Bigger leadership structure** – A bigger leadership structure could be implemented and the duties could be spread among more people. Unfortunately many of the duties of the Chief are unable to be done by anybody but the Chief, so their hours would likely stay at approximately the same amount.
- **City or Township staff** – City or Township staff could take on additional work to help offset administrative duties. However, this depends on the capacity of each organization and their ability to do the work. Much of the work, particularly that of the Chief, needs to be done with someone who has experience with firefighting.

Offset Administrative Duties – The board could move to hire someone to help with administrative duties. Things like timecards, record keeping, etc. could be handled by this person. This would not resolve issues like policy updates, training, adherence to procedures, etc., however, this would save a significant amount of money vs. hiring a full-time Chief.

FINANCIAL IMPACT

If the Council chooses to leave the position in the budget, it should keep the personnel line item at an increase of at least \$105,000. This number assumes that the Township would pay 25% of the costs of the position. Council could also incorporate anticipated savings of \$42,425 in the budget which would reduce the City’s budget impact to \$62,575.

ALTERNATIVES

1. Direct staff to include the Fire Chief position in the budget for future discussion
2. Direct staff to remove the position from the budget
3. Other

ATTACHMENTS

Breakdown of costs and savings

Costs			
Salary		\$90,000	
Equipment		\$5,000	
Fringe		\$45,000.0	
Total		\$140,000	
City Savings			
Business Fire Inspections		\$5,000	
Calls		\$1,000	
Chief Salary		\$4,200	
Duty Hours		\$8,000	
Court Hours		\$100	
Sprinkler Inspections	\$	7,500	
Zoning Hours		\$2,000	
Township Savings			
Duty Hours		\$8,000	
Calls		\$1,000	
Chief Salary		\$4,200	
Zoning Hours			
Court Hours		\$100	
Potential future programs		Current Potential	Future Potential
Sprinkler Inspections			
Single-Family Rental Inspections		0	\$ 14,625.00
Costs Minus Revenue			
Total Cost		\$140,000	
Total Savings/Revenue		\$55,725	
City Savings/revenue		\$42,425	
Township Savings/revenue		\$13,300	

100 businesses @ \$50

Reduced calls that can be directly paged to chief

Eliminate part-time Chief position

Estimated 50% reduction in duty hours of other officers

Court hours now charged seperately

Provide inspection of commercial sprinkler installations

Plan review time which is now charged seperately

Estimated 50% reduction in duty hours of other officers

Reduced calls that can be directly paged to chief

Eliminate part-time Chief position

Court hours now charged seperately

225 homes at \$65 per home

Summary		
Cost minus revenue	\$84,275.00	
City Increase	\$62,575.00	
Township Increase	\$21,700.00	



WORKSHOP ITEM

Big Lake City Council

Prepared By: Layne Otteson P.E. City Engineer / Utilities Manager PW20-063	Meeting Date: 9/23/2020	Item No. 4B
Item Description: DNR Owned Land Between Lake Mitchell and Big Lake Discussion	Reviewed By: Clay Wilfahrt, City Administrator	
	Reviewed By: N/A	

COUNCIL DIRECTION REQUESTED

Staff recommends Council direct staff to continue discussions with the State.

BACKGROUND/DISCUSSION

Current status:

Parcel 65-124-1120 is owned by the State and they contacted the City Engineer to see if there was interest in purchasing the land. The City Engineer and City Administrator concurred there is preliminary interest and notified the State. The State is currently researching the legal process to sell or convey the land to the City.

The land is approximately 0.71 acres with lake frontage on both sides. It is land locked with private property owners to the east and the west. The land is approximately 5 to 25 feet wide with vegetation growth including tall grasses, wildflowers, shrubs, and trees. The shore appears to be slowly eroding away and has a vertical bank that is about 2 feet tall.

In 2007, the City constructed channel improvements. The channel provides navigation from one lake to another. Recent observation found the channel walls are separating and are in need of repair in the next few years. It was also noted that shore stabilization will be needed along the length of the property.

FINANCIAL IMPACT

Future channel repair and shore stabilization costs are not estimated at this time. The costs to repair the steel channel walls would likely be required of the City regardless who owns the land. Future costs to protect the shoreline could be significant. However, grants would be pursued for all work and likely cover majority of the costs.

ALTERNATIVES

1. Direct staff to continue research, discuss options with the State and update Council in near future.
2. Direct staff to discontinue research and notify State the City has no interest in the property.

ATTACHMENT

Aerials (3)

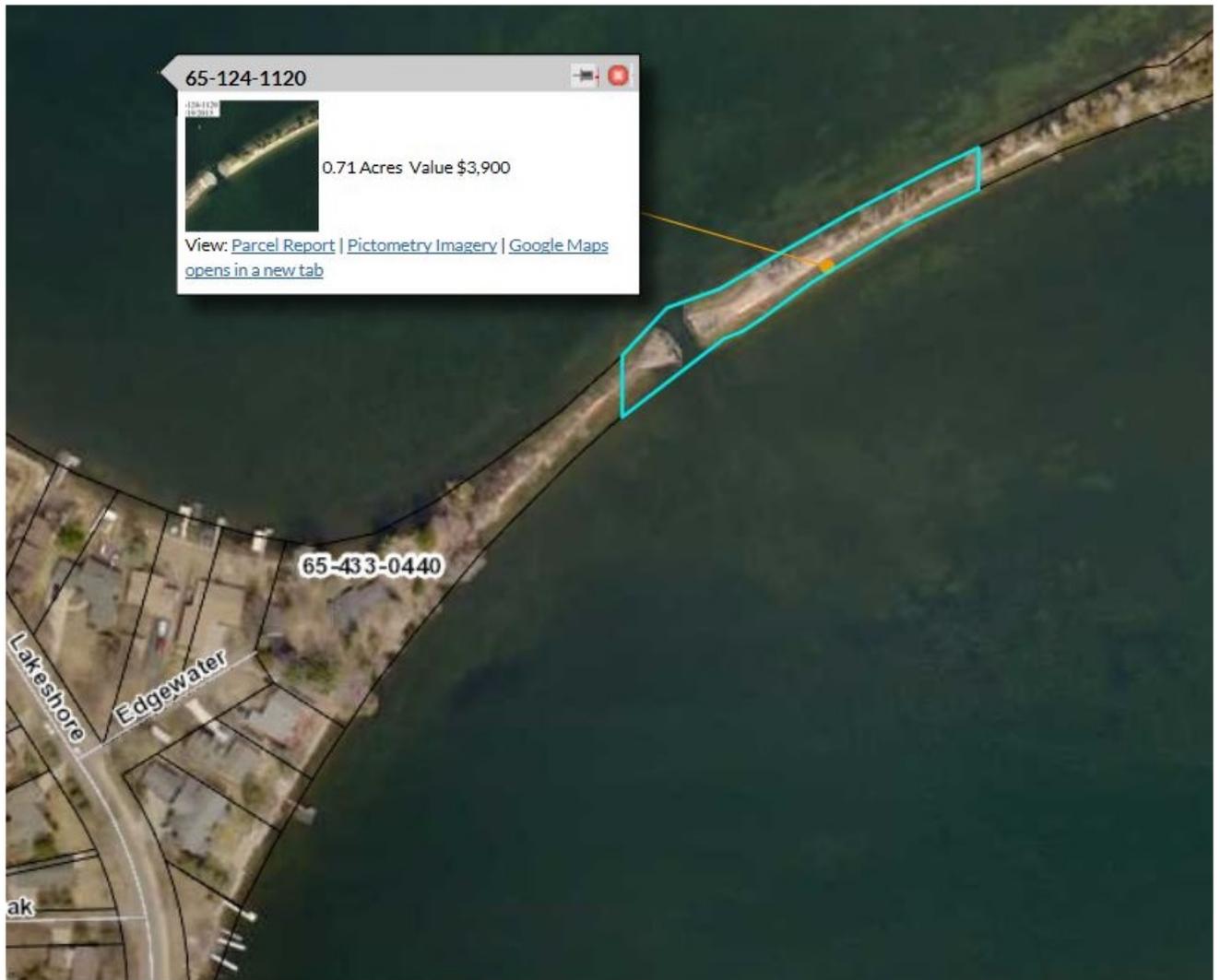


Lake Mitchell

65-124-1120

Big Lake

Channel Aerial



Fast Facts

- Land locked
- 0.71 acres
- Approximately 475' long
- Width ranges from 5' to 25' wide
- Channel walls are constructed of composite sheet piles

State Land and City Channel



State Land and Channel



WORKSHOP ITEM

Big Lake City Council

Prepared By <i>Clay Wilfahrt, City Administrator</i>	Meeting Date 9/23/2020	Item No. 4C
Item Description <i>New Ideas Discussion</i>	Reviewed By: N/A	
	Reviewed By: N/A	

COUNCIL DIRECTION REQUESTED

None

BACKGROUND/DISCUSSION

This item is dedicated for City Council Members to bring up any ideas/projects that they would like to discuss during the Workshop.

FINANCIAL IMPACT

None

ALTERNATIVES

None

ATTACHMENTS

None