

Olympia Tumwater RFA Planning Committee Report to City Councils

April 19, 2022

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Tonight's presentation

- Regional Fire Authority (RFA) Overview
- Mission of the RFA Planning Committee
- Issues the RFA Planning Committee is working through
- Overview of finance and governance options for RFAs
- Seeking Council support for:
 - The proposed project schedule
 - A statement of values & principles to guide our work on governance
 - Plan for an initial round of public outreach

Regional Fire Authority Overview

- A Regional Fire Authority (RFA) is a separate independent unit of local government, created by the voters, with the authority to provide fire and EMS services, impose taxes and collect fees and charges
- An RFA has essentially the same powers in terms of service provision and revenue collection as a fire district
- The key difference is that RFAs have great flexibility in how they can structure their governance board
- The RFA statute (Ch. 52.26 RCW) was first passed in 2004
- There are currently 13 RFAs in the state, including 1 in Thurston County (West Thurston RFA)

Creating an RFA

Step 1: any 2 or more local government agencies in close proximity to one another that have authority to provide fire/EMS service can jointly decide to create an **RFA Planning Committee**. The committee must include 3 elected officials from each participating agency.

Step 2: The RFA Planning Committee develops a proposed plan for how the RFA will be governed, staffed and funded, and what services it will provide.

Step 3: The RFA Plan is submitted for approval by the participating agencies' legislative bodies (the City Councils).

Step 4: If the legislative bodies approve the Plan, it is submitted to the voters. Voters in the entire RFA must support (majority in each city is not required). Threshold for approval depends on financing model.

RFA Planning Committee Members

TUMWATER	OLYMPIA
<i>Voting Members:</i>	
Councilmember Eileen Swarthout	Councilmember Jim Cooper
Councilmember Leatta Dahlhoff	Councilmember Lisa Parshley
Councilmember Michael Althausen	Councilmember Yến Huỳnh
<i>Ex Officio Non-Voting Members:</i>	
Tumwater Fire Chief Brian Hurley	Olympia Fire Chief Mark John
IAFF Local 2409 James Osberg	IAFF Local 468 Steven Busz

Mission of the Planning Committee

The mission of the Planning Committee is to **create and propose** to the City of Tumwater and the City of Olympia **a plan** (“Plan”) for a regional fire authority encompassing the entire territory within the jurisdictional boundaries of the two cities, including the proposed governance, design, financing and development of fire protection and emergency service facilities and operations, including maintenance and preservation of facilities or systems, all as authorized by Ch. 52.26 RCW. The Planning Committee is advisory to the Mayor and City Councils of each City.

Planning Committee Issues

- What services should be provided? At what service levels?
- Are additional apparatus or facilities needed in the next few years in order to maintain desired service levels?
- What does the organizational chart look like?
- Where will each current Fire Dept. employee be placed in the new organization?
- How should the RFA be funded?
- How should the RFA be governed?
- If the Plan is approved by the City Councils, when should the RFA measure be placed before the voters?
- What input does the Council have on these issues?
- What input does the public have on these issues?

Work accomplished to date

- Committee Charter Approved
 - Voting rules, quorum, chair, vice-chair
 - 2 of 3 voting members from both Cities required to approve RFA Plan for Councils' consideration
- Initial Communications plan approved
 - linked website approach and basic website materials approved – email address for any questions/comments from the public
- Work plan approved
- Recommended project timeline approved*
- General financing options reviewed
- General governance options reviewed
- Recommended Values & Principles statement adopted*
- Plan developed for first round of public engagement*

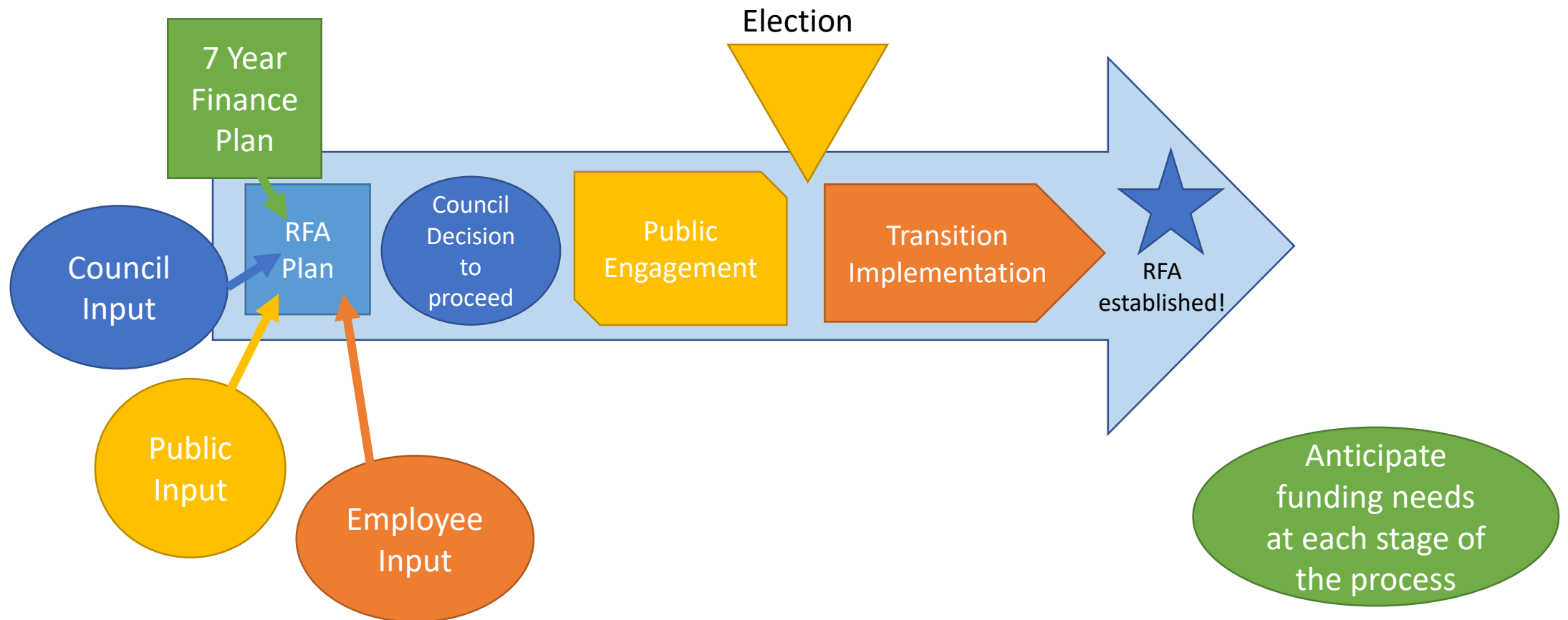
**items we are seeking Council support for tonight*

Questions?

RFA Planning Committee Timeline & Process

- The RFA Planning Committee is *advisory to the City Councils*.
- The RFA Planning Committee began working on the RFA Plan in January 2022
- The Committee will meet twice a month
- There are 2 rounds of public input proposed in the development of the Plan (more after it is finalized)
- There are 4 separate presentations planned for each City Council along the way, to get input on the Committee's proposals
- **The proposed timeline calls for submitting the RFA Plan to the City Councils in October 2022**

Creating an RFA is larger than the Planning Committee's work.



Recommended Timeline to Vote on the RFA, and to Establish the RFA

- The Committee's recommended timeline calls for placing the RFA ballot measure before the voters at the **April 2023 election**, and **establishing the RFA by August 1, 2023**

Recommended Schedule Summary	
RFA Planning Committee submits RFA Plan to Councils for action	October 2022
City Councils deliberate	October 2022-February 2023
Councils act to approve Plan and place RFA measure before voters	Late February 2023
Election	April 2023
RFA Effective Date	By August 1, 2023
RFA taxes, charges imposed	January 2024

Why aim for an April 2023 election?

- The Committee cannot complete its work before October 2022.
- The City Councils need a reasonable amount of time to deliberate and engage the community about the proposed RFA Plan.
- This schedule minimizes the time between creation of the RFA and the point that revenues can be collected to support the RFA.
- As a new taxing jurisdiction, the RFA must be created and act to request taxes by August 1 of the year preceding the imposition of those taxes.
 - An August or November election delays by 1 year the time when the RFA's revenues start.
- The Cities will need to fund the RFA before the RFA's taxes are received.

Questions?

- Is the Council comfortable with the Committee continuing its work consistent with the proposed timeline?

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More on RFA Funding...

Voter Approval Threshold Required Depends on Financing Model

RFA's have 2 major options in terms of how they are funded:

Option 1:

- Fire Levy of up to **\$1.50***
- Emergency Medical Services (EMS) Levy revenue
 - RFA would get a share of the County's EMS levy
- Fees for service

* Fire levy is a property tax

Option 2:

- Fire Levy of up to **\$1.00***
- **Fire Benefit Charge**
- EMS Levy Revenue
- Fees for Service

Option 2 can generate more revenue, but if a **Fire Benefit Charge** is part of the initial funding proposal, **60% voter approval** is required to create the RFA. Under Option 1, only 50%+1 is required. **Initial review indicates an FBC will be needed: \$1.50 will not generate sufficient revenue to support the combined departments.**

Finance options questions

- Committee's next steps here: Review and provide input into development of the 7-year financial model
 - What is the recommended administrative staffing and support model?
 - What level of reserves are needed?
 - How much cash flow is needed and how should it be provided?
 - What additional resources will be required to maintain service levels? When should those be planned for and how much will they cost?
 - If a fire benefit charge is needed, how should the formula be structured?

The Committee will provide all this information to Councils for your review and concurrence in developing the RFA plan.

Governance – issues & options

- Deciding how the RFA Governance Board is structured is a major topic for the RFA Planning Committee.
- Key issues are:
 - How many board members? What vote does each have?
 - How are positions filled – by voters directly? Or appointment of elected officials from member agencies?
 - Length of office terms?
 - Allocation of seats between participating agencies?
 - Transition of the board over time?
 - What if other agencies join the RFA? How should governance change?
- The RFA Statute (Ch. 52.26 RCW) is very flexible in terms of governance options available to you.

RFA Governance Options

An RFA Governance Board can be comprised of:

1. Elected officials from member agencies
2. Persons directly elected **At-Large** by the voters of the RFA
3. Persons directly elected by **District** by the voters of the RFA
4. A mix of any or all of the above

The initial board must be comprised of elected officials from member agencies. The board can transition over time to another structure if desired.

There is no maximum board size prescribed by law. Terms of office cannot exceed 6 years, and terms must be staggered to avoid the entire board being up for election all at once.

Governance of the RFA --- Committee Process Steps

Step 1: Agree on guiding values and principles

Attached in packet --- Council input?

Step 2: Develop a small number (3-5) of options consistent with those values and principles

Review these options with City Councils, get input

Step 3: Select a preferred option

Review this with City Councils for concurrence

Governance Questions?

- Is Council comfortable with the Committee continuing its governance discussion consistent with the **Values & Principles statement**?
- Next step: Develop a set of potential governance board structures for Councils' review and input

1st Round of Olympia Tumwater RFA Public Engagement

Proposed Program	
Who	Olympia and Tumwater communities
What	Community Information Meeting. Basic information ("RFA 101"), consistent with Council presentation content with Q&A opportunity for attendees.
When	May 19, 2022; 5:30 p.m. start time; 1 hour (no longer than 90 minutes).
Where	Remote Meeting cohosted by cities of Olympia and Tumwater Zoom Webinar set up. Olympia will provide the Zoom link.
Why	Required by statute. Create opportunities for public inquiry and input on development of the RFA plan.
How	Cities host informational meeting with moderated discussion, a subject-matter experts, and Q & A segment. Committee members may attend but are not part of the program.

Questions or comments on proposed first round of outreach?

Is Council comfortable with the Committee and staff team proceeding as proposed?

Thank you!