

Fire Department Consolidation Proposal

Press Release on Behalf of: City of Oconomowoc, Village of Summit, Town of Ottawa, Village of Dousman

The City of Oconomowoc and the Dousman Fire District will be considering the potential consolidation of their respective fire departments. The Dousman Fire District is made up of the Village of Summit, Town of Ottawa and Village of Dousman. A proposal to consolidate the two departments was presented at a public meeting of the Oconomowoc Common Council on October 4, 2016. This proposal was the result of a committee formed between the Dousman Fire District and the City of Oconomowoc who studied the feasibility of creating a consolidated district.

The committee began its' study of a potential consolidation in 2016. The foundation of the concept began when the two departments started working under a "Shared Service Agreement" to improve the level of service for all communities. Unfortunately, due to statutory requirements, this agreement expires December 31, 2017 and cannot be renewed. In this same spirit of cooperation, the departments began to review the potential to formalize their existing working relationship with the consolidation of the two departments.

Through its' study the committee identified a number of services that would improve under the consolidation for all communities. Most important would be the paramedic level EMS services available 24 hours a day, 365 days a year from 4 staffed stations, as well as decreased response times. With consolidation, the communities would have paramedic level EMS service and station staffing at a significant cost savings, as compared to if they did so separately. The fire response would also be improved for all communities as a result of the four staffed stations and quicker notification times. Working together the communities are able to maintain high level fire and EMS services while maintaining per capita costs for these services well below the statewide average. Not only are there significant operational costs avoided through consolidation, the communities will avoid spending \$2.3 million on capital improvements that would have been spent independently.

If the departments consolidate, all communities would be owners in the newly formed Western Lakes Fire District. The communities would be represented with members on the Fire Board and Fire Commission who would oversee the operation of the Fire District. The communities elected officials would approve the operational and capital budgets annually and set the service level expectations for the Western Lakes Fire District.

Each of the municipalities will be considering taking action on the intergovernmental agreement that would form the consolidated Western Lakes Fire District. If interested in more information, the proposed agreement, initial proposal document and power point presentation can be viewed on the City's website at www.oconomowoc-wi.gov

The municipalities intend to take action on the intergovernmental agreement on the following dates:

Village of Summit: Thursday, February 2, 2017 at 6:30 p.m., Village Hall

City of Oconomowoc: Tuesday, February 7, 2017 at 7:30 p.m., Council Chambers

Town of Ottawa: Wednesday, February 8, 2017 at 6:00 p.m., Town Hall

Village of Dousman: Monday, February 13, 2017 at 5:00 p.m., Village Hall

**INTER-MUNICIPAL AGREEMENT
FOR THE CREATION OF
THE WESTERN LAKES FIRE DISTRICT**

This Agreement is entered into pursuant to § 66.0301, Wis. Stats., by and between the City of Oconomowoc, a municipal corporation (hereinafter referred to as “Oconomowoc”), the Village of Dousman, a municipal corporation (hereinafter referred to as “Dousman”), the Village of Summit, a municipal corporation (hereinafter referred to as “Summit”), and the Town of Ottawa, a municipal entity (hereinafter referred to as “Ottawa”).

WHEREAS, the Dousman Fire District was established in 1968 under a municipal agreement to provide fire protection services within the District’s boundaries; and

WHEREAS, in 2011 the Dousman Fire District expanded to include areas of the Village of Summit previously in the Summit Fire District; and

WHEREAS, it has become necessary to update the existing agreement to reflect proposed changes to the ownership; and

WHEREAS, Oconomowoc established a Fire Department in 1880 as part of the City organization to provide fire protection services within the City limits; and

WHEREAS, the Oconomowoc Common Council at a meeting on February __, 2017 agreed to consolidate the Oconomowoc Fire Department activities with the Dousman Fire District and take actions to remove the fire protection and EMS services from the City department organization; and

WHEREAS, the Dousman Fire Board and elected officials from Dousman, Summit and Ottawa at a Special Meeting on February __, 2017 agreed to consolidate the Dousman Fire District with the Oconomowoc Fire Department and to create a new consolidated fire district; and

WHEREAS, it is the desire of the municipalities to provide for a continuation of the tradition of excellence the Dousman and Oconomowoc fire and EMS services have long sustained,

NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

ARTICLE I: PURPOSE

The purpose of this Agreement is to create and provide for the governance of a consolidated fire district including, and providing service to, all properties within the boundaries of the municipalities which are parties hereto. It is the intent of the parties that the fire district will continue to provide proper fire and emergency medical service protection for all persons and properties located within the district consistent with intergovernmental cooperation as authorized by §66.0301, Wis. Stats.

It is the common belief of the participating municipalities that greater protection against fire losses and medical emergencies within the consolidated fire district can be secured by the joint ownership and operation of fire and emergency medical service equipment and that a more effective fire district can be promoted by the joint and mutual cooperation of the Municipalities, and that the cost of protection can be more equitably shared.

The governing bodies of the participating municipalities, in regard to the operation of the Fire District, Fire Board (as defined herein), and Fire Commission (as defined herein), intend to reserve to themselves only those duties and responsibilities provided in this Agreement.

ARTICLE II: CREATION OF FIRE DEPARTMENT AND FIRE BOARD AND FIRE COMMISSION

A. Municipalities. Dousman, Summit, Ottawa and Oconomowoc shall hereinafter be referred to as the “Municipalities” or each as a “Municipality.”

B. Fire District. The Municipalities hereby create a joint fire district which shall be known as the “Western Lakes Fire District” (hereinafter the “Fire District”) to provide fire and emergency medical services within the boundaries of the Fire District delineated in Article III.

B. Fire Department. The Municipalities hereby establish a joint municipal fire department which shall be known as the Western Lakes Fire Department (hereinafter “Fire Department”) and which shall carry out the firefighting and other emergency response functions within the Fire District.

C. Fire Board. The Municipalities hereby establish a joint municipal fire board as a joint agency of the Municipalities which shall be known as the Western Lakes Fire Board (hereinafter “Fire Board”) to govern the operations of the Fire District.

D. Fire Commission. The Municipalities hereby establish a joint municipal fire commission as joint commission of the Municipalities which shall be known as the Western Lakes Fire Commission (hereinafter “Fire Commission”) which shall function as the fire commission for the Fire District under §62.13(2m), Wis. Stats.

ARTICLE III: DISTRICT BOUNDARIES

A. Area. The Fire District shall consist of all of the territory on the date hereof within the boundaries of the following:

- City of Oconomowoc
- Village of Dousman
- Village of Summit
- Town of Ottawa

B. Modifications to District Boundaries. The boundaries of the District may be changed from time to time upon recommendation of the Fire Board and approval by the

Municipalities. Any lands attached or annexed by any of the Municipalities shall be automatically included in the Fire District boundaries. Any territory detached from any of the Municipalities to a city, village or town other than one of the Municipalities shall be automatically detached from the Fire District.

C. Mutual Aid Agreements. A letter will be mailed to all mutual aid departments informing them of the change in boundaries. To the fullest extent allowed by law and consistent with the terms of existing agreements the Municipalities intend that:

1. All mutual aid agreements currently in place on the effective date of this Agreement will continue in effect;
2. The Fire District will assume all mutual aid obligations heretofore accepted by the Municipalities or any previously existing fire departments of the Municipalities; and
3. Continuation of the existing mutual aid agreements will provide the Municipalities and Fire District with the same benefits that the Municipalities and/or their previously existing fire departments received prior to entering this Agreement.

D. Service Contracts. Contracts between any of the Municipalities or the Dousman Fire District with other municipalities or fire departments of municipalities for fire and/or emergency medical services shall continue in effect until December 31, 2017, unless a longer term is provided in the contract. During the term of any such contracts, the Fire District shall perform the obligations under such contracts on behalf of the Municipality obligated thereby, and any revenue received by the Municipality for such service shall belong to the District. Thereafter, contracts may be entered into by the Fire Board with approval by all Municipalities.

ARTICLE IV: FIRE DEPARTMENT

A. Duties. The Fire Department shall be responsible, within the boundaries of the Fire District, for fire protection, emergency medical services, rescue operations, Haz-Mat services, fire prevention and education, fire inspections, and such other duties as assigned by joint resolution of the Municipalities.

B. Composition. The Fire Department shall be comprised as set forth in the rules and regulations of the Fire Department. The rules and regulations of the Fire Department shall include in the same a provision that no elected official of the Municipalities, no member of the Fire Board, and no member of the Fire Commission may serve in any capacity on the Fire Department.

C. Operational Policies. The Fire Department shall adopt rules and regulations for its control, management, and government and for the regulation of its business and proceedings that, after adoption by the Chief of the Fire District, shall become effective and operative upon approval by the Fire Board. Amendments of the same shall be adopted and approved in the same manner.

D. Compensation. All compensation and benefits to be paid to the officers and all other employees of the Fire Department shall be determined by the Fire Board and payment of the same shall be made from the funds appropriated to the Fire Department, all which must be specifically approved as part of the budget process.

E. Fire Chief. The Fire Chief shall serve as the liaison between the Fire Board and Fire Department, the Fire Commission and Fire Department, and the Municipalities and Fire Department.

ARTICLE V: FIRE BOARD

A. Duties. The Fire Board shall be responsible for overseeing the operation of the Fire District and shall have the specific duties and responsibilities as set forth herein.

B. Composition. The Fire Board shall be composed of seven (7) voting members. The governing bodies of the Municipalities providing the three largest shares of the Fire District operating budget, as determined by the current year financing formula percentages calculated under Article V, Section I(4)(c) shall each appoint two (2) members. The governing body of the Municipality contributing the smallest such share shall appoint one (1) member. Any Municipality may appoint an alternate, who shall have full authority to act on behalf of an absent member appointed by that Municipality. All members so appointed must, throughout their terms, be electors of the Municipality by which they are appointed. No member shall be a member of the Fire Commission, Fire Department in any capacity, nor elected official of a Municipality.

C. Terms.

1. At the time of initial appointments to the Fire Board, the Municipalities shall specify the term of each Fire Board member as either 3, 2, or 1 year for the first term as follows:
 - City of Oconomowoc: One 3-year term, and one 1-year term;
 - Village of Summit: One 2-year term and one 1-year term;
 - Town of Ottawa: One 3-year term; and one 1-year term;
 - Village of Dousman: One 2-year term.

Thereafter, each appointment shall be for a term of three (3) years. The term of each member shall commence on May 1 of the year in which the appointment is made, except that the term of the initial appointees shall commence on March 2, 2017 with the length of their respective terms measured from May 1, 2017. Each member appointed shall continue to serve until a successor is appointed and qualified.

2. *Vacancies.* Any vacancy on the Fire Board shall be filled by appointment by the governing body of the Municipality appointing the member whose seat has been vacated to fill such vacancy for the remainder of the term. The

Municipality filling a vacancy shall promptly notify the clerks of all other Municipalities of the appointment.

D. Officers.

1. *Election of Officers.* At its first meeting after its creation and thereafter at its first meeting after May 1 each year, the Fire Board shall choose from its members a President to preside at its meetings, a Vice President to act in the absence of the President, a Secretary and a Treasurer. Each such officer shall continue to hold office until a successor is elected by the Board.
2. *Bond.* Officers of the Fire Board whose duties include the signing of checks shall furnish a bond, paid for by the Fire Board, in such amount as shall be required and approved by the Fire Board, which shall be adequate to cover the funds entrusted to his/her care.
3. *Duties.*
 - a. **President.** The President shall:
 - (1) Preside at all meetings of the Fire Board;
 - (2) See that all orders and resolutions of the Fire Board are carried out;
 - (3) Execute all contracts and agreements and approve the bill list as duly authorized by the Fire Board;
 - (4) Initiate the audit/compilation process pursuant to Article V, Section O and submit a complete and detailed report of the financial condition of the Fire District to the Municipalities on or before June 30 of each calendar year for the previous calendar year;
 - (5) Report to the Fire Board all matters within the President's knowledge regarding the Fire District;
 - (6) Communicate with the Municipalities as reasonably requested and needed. Municipalities shall receive copies of communications between the President and any of the Municipalities on request, and no such communications shall be confidential between the President and any single Municipality;
 - (7) Perform such additional duties as may be prescribed from time to time by the Fire Board;

- (8) Sign checks as required by the Fire Board policies; and
 - (9) Prepare and properly post meeting agendas and other notices in accordance with the Wisconsin Open Meetings Law.
- b. **Vice President.** The Vice President shall:
- (1) Discharge the duties of the President in the event of the President's absence or disability; and
 - (2) Sign checks as required by the Fire Board policies; and
 - (3) Perform such additional duties as may be prescribed from time to time by the Fire Board.
- c. **Secretary.** The Secretary shall:
- (1) Keep a correct and complete record of all of the proceedings of the Fire Board meetings held pursuant to Article V, Section F;
 - (2) Distribute agendas to members and media;
 - (3) Perform all general duties which are incidental to the offices of the Secretary subject to direction of the Fire Board; and
 - (4) Perform such additional duties as may be prescribed from time to time by the Fire Board.
 - (5) Serve as the legal custodian of all records of the Fire Board.
- d. **Treasurer.** The Treasurer shall:
- (1) Countersign all checks after the same have been signed by the President or Vice President;
 - (2) Keep an accurate account in accordance with generally accepted accounting practices (GAAP) of all monies received and disbursed;
 - (3) Provide a financial report to the Fire Board monthly or as requested by the Fire Board.
 - (4) Perform all general duties which are incidental to the office of the Treasurer subject to direction of the Fire Board; and

- (5) Perform such additional duties as may be prescribed from time to time by the Fire Board.

E. Compensation. No salary or other compensation shall be paid by the District to the Fire Board officers or other members. Any Municipality may elect to compensate its appointed members in its discretion from its own funds.

F. Meetings.

1. *Regular and Special.* The Fire Board shall hold monthly meetings at a place within the Fire District, and at a time, to be fixed by the Fire Board for transacting such business as may require their attention. Special meetings of the Fire Board may be held whenever called by the Secretary upon direction of the President or upon written direction of any two (2) members of the Fire Board or upon written direction of any two or more Municipalities. The Clerks of the Municipalities shall be notified of any regular or special meetings at least 48 hours before such meeting is held, provided, however, that such notice may be waived by written consent of all appointed members. The Fire Board shall keep a written record of its proceedings which shall be transmitted in a timely manner to the Municipalities, Fire Board, Fire Commission, and Fire Chief.
2. *Quorum.* Four (4) members of the Fire Board shall constitute a quorum for all purposes.
3. *Reporting.* The Fire Chief shall report to all Municipalities at a frequency determined by the Fire Board, but at least annually.
4. *Notice.* All meetings of the Fire Board shall be properly noticed as prescribed in §19.84, Wis. Stats., and, except as provided in §19.85, Wis. Stats., all meetings of the Fire Board shall be open to the general public.

G. Required Votes. In order for a motion to be adopted, four affirmative votes from members of the Fire Board are required.

H. By-Laws. The Fire Board shall adopt rules, policies, and by-laws as it deems necessary for its control, management, disbursement of funds, and governance and for the regulation of its business and proceedings which, after adoption by the Fire Board, shall not become effective and operative until approved by the Municipalities. Amendments of the by-laws shall be adopted in the same manner.

I. Budget.

1. The Fire District, Fire Board, and Fire Commission shall each have their own operating budget within the overall budget.

2. Fire District Budget.

- a. The Fire Chief shall submit a proposed budget for the Fire District (and the Fire Commission shall submit its proposed budget pursuant to Article VI, Section I) to the Fire Board not later than July 15 of each year for the next fiscal year beginning January 1. Such budget shall be as set forth on a line-by-line basis the items of revenue (including without limitation interest income, charges to the Municipalities, charges to end users, and monies received from the State of Wisconsin for highway calls) and operating and capital expenditures of the Fire District. Upon receipt of the same, a special meeting or meetings shall be called by the Fire Board to discuss, amend, enlarge, or reduce the various items of the proposed budget and to make final recommendations regarding the same. In the event the Fire Chief does not submit a budget by July 15, then the Fire Board shall prepare the same.
- b. For the particular purpose of presenting the proposed budget and for the additional purpose of acting as an advisor to the Fire Board, the Fire Chief or his/her designee shall serve as the only representative of the Fire District membership, and all requests, suggestions, advice, and problems shall be presented to the Fire Board by the Fire Chief or his/her designee who shall in all respects represent the Fire District membership.

3. The Fire Board shall submit a consolidated Fire District budget (including the operating budget for the Fire Board and Fire Commission) to the Municipalities no later than September 1. If the Fire Board fails to do so, the budget, as submitted by the Fire Chief and the Fire Commission, shall be submitted to the Municipalities. The budget shall then be reviewed by a joint meeting of the Fire Board, the Municipality's governing bodies, Fire Commission, and the Fire Chief or his/her designee for the purpose of discussing and considering said budget, including any reductions thereof or additions thereto prior to the adoption thereof by the Municipalities. Said joint meeting shall be held between September 1 and September 30 each year.

The Fire Board shall not have elective or taxing powers.

All funding and expenditures in the budget must be authorized and approved by the Municipalities. Each Municipality hereby agrees that it may be deemed to have approved any annual Fire District operating budget that does not exceed 104% of the prior year's operating budget, and any capital budget that does not exceed 104% of the proposed capital expenditures for that year in the District's five-year capital improvement plan, provided that

the Municipalities representing 80% of the operating cost share determined under Article V, Section I(4)(c) affirmatively approve the respective budget. If a proposed budget increase is greater than 4%, all Municipalities must approve that budget. A final budget shall be adopted by the Municipalities no later than November 10. If the Municipalities fail to adopt identical operating or capital budgets for the Fire Board for the upcoming year by November 10 of each year, the previous year's operating or capital budget, as the case may be, shall be deemed to be adopted by the Municipalities for the next calendar year.

4. Financing Formula (Distribution of Costs). The Municipalities shall contribute a proportionate share of the Fire District budget determined in accordance with this paragraph.
 - a. The Fire Chief shall recalculate the proportionate share to be paid by each Municipality as a percentage of the total operating and capital budgets once every three years. Any increase or decrease in the percentage payable by a Municipality shall then be phased in by adding one-third (1/3) of the total increase or subtracting one-third (1/3) of a decrease to or from the Municipality's share each of the next three years. By way of example, and not limitation, if a Municipality's percentage share of the operating budget increases from 30% to 36% as a result of a recalculation, that Municipality would pay 32% of the budget in the ensuing year, 34% in the following year, and 36% in the third year following the recalculation.
 - b. Call Volumes used in determining Municipal contribution shares will include calls within the Fire District boundaries as described in Article III and will not include contract or mutual aid calls outside these boundaries, inter-facility transfer calls, or calls occurring at an event within the boundaries in which the Fire District is being reimbursed for providing standby coverage. Call Volume is assigned to the Municipality in which the call for service originated.
 - c. Each Municipality's percentage of financial contribution to the Fire District's operating budget shall be based on the following:
 - (1) Call Volume: Fifty percent (50%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of call volume. The call volume figures used in this calculation shall be

the average of each Municipality's total calls for service over the then most recent three (3) full calendar years as determined by the Fire District's Fire and EMS Records Management Software.

- (2) Population: Fifteen percent (15%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total population of all the Municipalities. The population figures used in this calculation shall be the average of each Municipality's total population over the then most recent three (3) calendar years as determined by the State of Wisconsin Department of Administration Demographics Service Center (or any successor) as of December 31 of each year.
 - (3) Equalized Value of Improvements: Twenty percent (20%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total equalized valuation of real property improvements in all the Municipalities. The equalized value figures used in this calculation shall be the average of each Municipality's total equalized value of improvements over the then most recent three calendar (3) years as determined by the State of Wisconsin Department of Revenue (or any successor) as of December 31 of each year.
 - (4) Equalized Value of Land: Fifteen percent (15%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total equalized valuation of land of all the Municipalities. The equalized value figures used in this calculation shall be the average of each Municipality's total equalized value of land over the then most recent three (3) calendar years as determined by the State of Wisconsin Department of Revenue (or any successor) as of December 31 of each year.
- d. Each Municipality's annual financial contribution to the Fire District's capital budget shall be based on the following:

(1) Fixed Percentage Cost: Thirty-three percent (33%) of the total capital budget contribution shall be shared among the Municipalities as follows: Oconomowoc 25%, Summit 40%, Ottawa 18%, Dousman 17%.

(2) Sixty seven percent (67%) of the total capital contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the operating budget as determined under in section V.I.4.c above.

5. Each municipality may determine the source of funding for its contribution to the capital budget.

J. Debt Service for Existing Dousman Fire District Debt. The annual contribution of Summit, Dousman and Ottawa shall also include an additional amount equal to each entity's proportionate share of Debt Service (as defined below) on Ottawa's State Trust Fund Loan obtained by Ottawa to finance improvements and furnishings to the Dousman Fire Station (the "State Trust Fund Loan") and on any loans obtained by the Dousman Fire District prior to January 1, 2017. "Debt Service" shall mean:

1. the amount of principal and interest payable by Ottawa on the State Trust Fund Loan, net of the amount of credits (if any) received by Ottawa from the United States Treasury as a result of the State Trust Fund Loan being issued with qualified "Build America Bond" status pursuant to Subsection 54AA (g) of the Internal Revenue Code of 1986, as amended; and
2. the amount of principal and interest payable by the Dousman Fire District on the loans approved prior to January 1, 2017.

Each entity's proportionate share of the Debt Service for the State Trust Fund Loan and any other loans approved prior to January 1, 2017 shall be based on the Financing Formula in existence prior to January 1, 2017 and is applicable only until the various loan obligations have been paid. Oconomowoc is not responsible for any obligations under this section J.

K. Expenditures. The Fire Board is solely responsible for all expenditures of the budget. The Fire Chief is responsible for administering the annual budget for the Fire District and shall be accountable to the Fire Board for the same. The Fire Chief shall present an itemized list of all invoices to be paid each month to the Fire Board. The Fire District shall not pay any invoice until approved by the Fire Board, unless otherwise authorized in the Fire Board rules, and which is in accordance with the annual budget approved by the Municipalities.

L. Property, Equipment and Supplies. The Fire Board shall have the power to purchase, lease, sell, and dispose of all of the property, equipment, apparatus, and supplies of the

Fire District, as authorized as part of the budget approval or otherwise as set forth in Article XI. Sale of equipment owned by the Municipalities shall comply with Article XI.

M. Assessment of Costs to End Users. The Fire Chief under the direction of the Fire Board shall have authority to bill end users for all assessments of costs of fire and rescue services, fire inspections, emergency medical services, and any other services performed by the Fire District and shall be responsible for collecting the same. General policies regarding costs for such services shall be established in the rules, policies, and/or by-laws of the Fire Board. The Fire Board shall be responsible for hearing and determining appeals of aggrieved persons respecting assessment of costs of such services. The Municipalities agree, upon request of the Fire Board, after reasonable attempts to collect the same by the Fire Board, to place on their respective tax rolls as special charges pursuant to §66.0627, Wis. Stats., all costs properly charged under this paragraph. Any monies collected hereunder shall be remitted to the Fire Board within forty-five (45) days of receipt of the same. Further, any monies collected under this section shall be shown as revenue of the Fire Board in the budget.

N. Insurance. The Fire Board shall at all times keep in full force and effect liability insurance and insurance for replacement value of the equipment and the participating Municipalities shall be named as additional insureds affording them full protection (less reasonable deductibles) against claims, casualties, losses, and liabilities occurring in operation of the Fire District, Fire Commission, and Fire Board, including insurance for the equipment referenced in Article VIII, and the fire stations referenced in Article IX, and provide the participating Municipalities with copies of the same.

O. Audit/Compilation. The Fire Board shall have a financial audit or compilation performed on an annual basis by an independent certified public accountant (or firm of certified public accountants). The results of the audit or compilation must be transmitted to the Municipalities no later than June 30 of each year for the preceding fiscal year.

P. Excess Funds.

1. *Surplus Funds.* All budgeted funds which are not spent prior to the end of the year shall be retained by the Fire District. These surplus funds shall be shown on the annual budget request, and in the budget approved by the participating Municipalities. Surplus funds may, upon approval of the Municipalities, be used to fund shortfalls in current or future budgets. In the event termination of the Fire District surplus funds shall be returned to the participating Municipalities as determined by the current year Financing Formula percentages set forth in Article V, Section I (2) (c).
2. *Capital Equipment Fund Line Item.* All proposed capital equipment expenditures included in the budget which are not spent prior to the end of the year shall be retained by the Fire District. These remaining budgeted funds shall be shown on the annual budget request as a fund reserve set aside for capital purchases. The reserve fund may, upon approval of the Municipalities, be used to fund shortfalls in capital equipment purchases

identified in current or future budgets. Upon termination of the Fire District, the capital equipment fund shall be returned to the participating Municipalities as determined by the current year Financing Formula percentages set forth in Article V, Section I(4)(d).

3. *Contingency Fund Line Item.* The budget shall include a contingency fund, which in addition to the surplus funds, may be used by the Fire District to fund shortfalls in current budgets. Any unspent contingency funds at the end of the year shall be deemed surplus funds.
4. *Miscellaneous Revenues.* The Municipalities shall retain any and all monies received from the State and/or Federal Government for any purposes (except as set forth below). All other fire and emergency medical service programs as authorized by the Fire Board from which monies are received (including charges to end users, fire department dues payments, grants, and monies received from the State of Wisconsin EMS Funding Assistance Program; but excluding charges to end users imposed by the Municipalities) shall go directly to the Fire Board. Funds may be used to fund shortfalls in future budgets or for capital purchases and shall be shown as revenue of the Fire District in the budget.

ARTICLE VI: FIRE COMMISSION

A. Duties. The Fire Commission shall have the duties as set forth in §62.13, Wis. Stats., excluding the optional powers as set forth in §62.13 (6), Wis. Stats.

B. Composition. The Fire Commission shall be composed of five (5) voting members. Each Municipality shall appoint one member. Initially, Ottawa shall appoint a second member to serve a five-year term. At the conclusion of the first term, the authority to appoint the fifth member shall be rotated to Oconomowoc, then Dousman and then Summit, for the ensuing five-year terms. The members so appointed must be electors of the Municipality from which they are appointed throughout their terms. The members shall not be members of the Fire Board or Fire Department in any capacity, nor elected or appointed officials of the Municipalities.

C. Terms.

1. *Initial Appointments.* The initial appointments by the Municipalities shall be for varying initial terms calculated from February __, 2017 as follows:
 - City of Oconomowoc: 3-year term;
 - Village of Summit: 2-year term;
 - Town of Ottawa: 1-year term plus one alternating appointment for a 5-year term;
 - Village of Dousman: 4-year term.

After the initial staggered appointments, the terms of all Fire Commission members shall be five (5) years commencing on January 1.

2. *Vacancies.* Any vacancy on the Fire Commission shall be filled by appointment by the governing body of the Municipality appointing the member whose seat has been vacated to fill such vacancy for the remainder of the term. The Municipality filling a vacancy shall promptly notify the Clerks of all other Municipalities of the appointment.

D. Officers.

1. *Election and Duties of Officers.* At its first meeting after its creation and thereafter at its first meeting after January 1 of each year, the Fire Commission shall choose from its members a Chairperson to preside at its meetings, a Vice Chairperson to act in the absence of the Chairperson, and a Secretary/Treasurer to keep a correct and complete record of all proceedings of the Fire Commission.

E. Compensation. No salary or other compensation shall be paid for service on the Fire Commission either as officers or as members.

F. Meetings.

1. *Regular and Special.* The Fire Commission may hold a yearly organizational meeting to conduct business, but otherwise shall not hold regular meetings. The Fire Commission shall hold special meetings at the call of the Chairperson or any two commissioners and otherwise upon the filing of a complaint requiring Commission action. The Clerks of the Municipalities and the Secretary of the Fire Board shall be notified of any special meeting at least 48 hours before such meeting is held. The Fire Commission shall keep a written record of its proceedings which shall be transmitted in a timely manner to the Municipalities, Fire Commission, and Fire Board.
2. *Quorum.* Three (3) members present of the Fire Commission shall constitute a quorum for all purposes.
3. *Notice.* All meetings of the Fire Commission shall be properly noticed as prescribed in § 19.84, Wis. Stats., and, except as provided in § 19.85, Wis. Stats., all meetings of the Fire Commission shall be open to the general public.

G. Required Votes. In order for a motion to be adopted, three (3) affirmative votes from members of the Fire Commission are required.

H. By-Laws. The Fire Commission shall adopt rules, policies, and by-laws as it deems necessary for its operation and for the regulation of its business and proceedings which, after adoption by the Fire Commission, shall not become effective and operative until approved by the Municipalities. Amendments of the by-laws shall be adopted in the same manner.

I. Budget. The Fire Commission shall submit a proposed budget to the Fire Board not later than July 15 of each year for the next fiscal year beginning January 1. All expenditures of the Fire Commission shall be as set forth in the line items of the budget. Upon receipt of the same, a special meeting or meetings shall be called by the Fire Board to discuss, amend, enlarge, or reduce the various items of the proposed budget and to make final recommendations regarding the same. In the event the Fire Commission does not submit a budget by August 1, then the Fire Board shall prepare the same.

J. Hiring.

1. *Fire Chief.* The appointment of the Fire Chief shall be made by the Fire Commission.
2. *Appointment and Promotions.* The Fire Chief shall appoint subordinate sworn full-time firefighting and EMS employees and sworn Officers subject to approval by the Fire Commission. A subordinate is only a regular full-time sworn firefighting or EMS employee or Officer of the Fire Department below the rank of Fire Chief. Subordinates do not include any other employee of the Fire Department.
3. *Non-sworn Positions.* The Fire Chief may appoint any other employee of the Fire District at the direction of the Fire Board.

K. Disciplinary Actions Against Fire Chief and Subordinates. The Fire Commission shall be responsible for hearing and determining disciplinary actions against the Fire Chief and sworn subordinates pursuant to §62.13, Wis. Stats.

L. Legal Advice/Legal Fees. The Fire Commission may retain its own attorney with approval of the Fire Board.

ARTICLE VII: PAYMENT OF BUDGETED EXPENSES

Budgeted expenses of the Fire Board, Fire Commission, and Fire District shall be paid as follows. Without the necessity of billing for or receiving an invoice, ten percent (10%) of the monies owed by each Municipality, as shown in the adopted operating budget, shall be remitted to the Fire Board on or before January 15 and the balance on or before the last day of February of each year. Payment for that portion of the capital budget equal to the sum of all individual capital purchases of less than \$100,000 each shall be remitted to the Fire Board on the same schedule as the operating budget contributions. Payment for that portion of the capital budget consisting of individual purchases over \$100,000 each shall be remitted within 60 days of notice from the Fire Board.

If a participating Municipality fails to make all or any portion of any payment required under this Agreement in a timely manner, such Municipality shall remit to the Fire Board interest at the rate of one percent (1%) per month or any fraction of a month on the outstanding balance due.

ARTICLE VIII: OWNERSHIP OF EQUIPMENT

Upon the effective date of the consolidated District, the Western Lakes Fire District shall own and control all equipment and apparatus used for operation. All fire and EMS vehicles and apparatus owned by the Municipalities or the Dousman Fire District shall be transferred and retitled in the name of the “Western Lakes Fire District.”

ARTICLE IX: FIRE STATIONS

A. Ownership. The Dousman Fire District currently owns a Fire Station located at 107 S. Main Street in the Village of Dousman (the “Dousman Station”). Oconomowoc owns two Fire Stations located at 212 South Concord Road (the “Concord Station”) and at 1400 Oconomowoc Parkway (the “Oconomowoc Station”) in the City of Oconomowoc. After execution of this Agreement, title to all Fire Stations shall be transferred to the Fire District as follows:

1. The Dousman Fire District will convey title to the Dousman Fire Station land and building to the Fire District by warranty deed, free and clear of all liens and encumbrances except existing easements and general and municipal ordinances, upon execution of this Agreement. The title will be restricted by the option to purchase provided in Section D(2) of this Article.
2. Oconomowoc will convey title to the Concord Station land and building and the Oconomowoc Station building to the Fire District by warranty deed, free and clear of all liens and encumbrances except existing easements and general and municipal ordinances, promptly upon execution of this Agreement. Oconomowoc shall similarly convey title to the Oconomowoc Station land to the Fire District on January 1, 2023 except as follows:
 - a. Oconomowoc shall retain the right until January 1, 2023 to elect to retain ownership of any portion of the Oconomowoc Station land not reasonably necessary for the maintenance and use of the Fire Station building as operated immediately prior to the date of this Agreement. Prior to January 1, 2023, the Fire District shall not construct any additions to the Oconomowoc Station building, or add additional site improvements such as buildings, driveways, fixtures or other improvements that would expand the footprint of the operations of that station, without the written approval of Oconomowoc.

- b. In the event Oconomowoc elects to retain ownership of a portion of the land, it shall be solely responsible for the preparation, approval and recording of a certified survey map dividing the property to create the parcel to be retained. Such certified survey map shall assure that the parcel including the Fire Station building provides for sufficient area to meet all minimum lot areas, maximum building areas, setbacks and other dimensional requirements of any applicable ordinances. Oconomowoc shall further assure that all public water and sanitary sewer laterals, electric, natural gas, telephone and data lines serving the Fire Station on the date of this Agreement are either located on the parcel containing the Fire Station building, or are within easements allowing for the maintenance, operation, repair, removal or replacement thereof.
- c. If Oconomowoc exercises its option to subdivide and retain a portion of the Oconomowoc Station land, it shall convey the balance of the land to the Fire District not later than March 1, 2023.

Title to the Oconomowoc Station and the Concord Station shall be subject to the reversionary interest of Oconomowoc under the terms of sections D and E of this Article.

B. Alterations and Maintenance of Fire Stations. The Fire District shall be responsible for all maintenance, repairs, and improvements to the Fire Stations and lands conveyed to it under this Article, as well as any Fire Stations subsequently acquired by the Fire District. The Fire District shall be solely responsible for all utilities, and other operational costs associated with the Fire Stations. The Fire District shall maintain property and casualty insurance with full replacement value coverage on all Fire Stations. In the event of damage to any Fire Station by fire or other casualty, the Fire District shall restore it to substantially the condition it was in immediately prior to the casualty loss unless otherwise approved by the Municipality in which the Fire Station is located. Fire Stations shall be maintained in full compliance with federal and state laws and regulations and local ordinances, and in a manner consistent with the condition of other public buildings maintained by the Municipality in which they are located.

C. Use of Fire Stations. Each Fire Station shall be used only for the operations of the Fire Department including administrative offices, personnel, general operations, Fire Board and/or Fire Commission functions and housing of its firefighting and EMS apparatus/equipment. Notwithstanding the foregoing limitation, the Oconomowoc Police Department shall be allowed for such time as the Oconomowoc Station is owned by the Fire District to continue to use the Oconomowoc Station to the extent and for the purposes consistent with the activities for which that station was used prior to the date of this Agreement. The Fire District shall keep the firefighting equipment and apparatus in the fire stations as determined by the Fire Chief and reported to the Fire Board at its regular monthly meeting.

D. Termination of District. In the event this Agreement is terminated, or the District dissolved in any manner, the ownership of the Fire Stations shall be determined as follows:

1. *Oconomowoc and Concord Stations.* Title to the Oconomowoc Station and the Concord Station shall be reconveyed to Oconomowoc for \$1.00 by warranty deed free and clear of all liens and encumbrances except easements existing on the date hereof, general and municipal ordinances and such other encumbrances as may be approved by Oconomowoc.
2. *Dousman Station.* Title to the Dousman Station shall be conveyed to either Summit, Dousman or Ottawa, as those parties may mutually agree. In the absence of mutual agreement, the Dousman Station shall be sold. Unless Summit, Dousman and Ottawa agree on an acceptable sale price and a method of sale within sixty (60) days after the effective date of termination, the Dousman Station shall be sold at public auction. Except to the extent otherwise agreed by Summit, Dousman and Ottawa, the net sale proceeds, after deduction of all costs associated with the sale, shall be divided to Summit, Dousman and Ottawa based on the percentage contribution of capital expenditures over the previous 10 years.

Oconomowoc shall have no right to share in the proceeds of the sale of the Dousman Station if sold upon termination of the District.

3. *Future Stations.* Any Fire Stations acquired by the Fire District other than those identified in pars. 1 and 2, shall be purchased from the Fire District by the Municipality in which such station is located. The Fire Board shall cause each such station to be appraised by a competent appraiser, and the sale price shall be the fair market value as determined by the appraisal. The purchasing municipality shall be given a credit against the purchase price equal to the purchase price multiplied by that Municipality's most recent percentage contribution to the Fire District's capital budget prior to termination.
4. *Timing of Conveyances.* All conveyances of Fire Stations under this section D shall occur on the effective date of dissolution of the Fire District, except that in any case where an appraisal is necessary, the Fire Board shall commission such appraisal(s) promptly upon a determination that the Fire District will be dissolved, and the conveyance shall occur not later than thirty (30) days after receipt of the appraisal for each Fire Station. In the event the conveyance occurs after the effective date of dissolution, the purchasing Municipality shall have the right to use the respective Fire Station prior to the conveyance, but shall be solely responsible for all maintenance and expenses related to such Fire Station, shall keep the property insured to the same extent as it was insured by the Fire District, and shall hold the Fire District and each of the Municipalities harmless from any loss, liability or expense, including reasonable attorney fees, arising out of such use.

E. Withdrawal from District. Disposition of Fire Stations in the event of withdrawal by one or more Municipalities without dissolution of the Fire District shall be governed by this section.

1. *Withdrawal by Oconomowoc.* In the event of withdrawal of Oconomowoc from the Fire District, the Fire District shall convey the Oconomowoc Station and the Concord Station to Oconomowoc for the aggregate sum of \$1.00 by warranty deed, free and clear of all liens and encumbrances except existing easements and general and municipal ordinances. If requested by the Village of Summit at least sixty (60) days prior to the effective date of such withdrawal, Oconomowoc shall enter into a lease with Summit for the use of the Oconomowoc Station on terms and conditions identical to the lease for such facility between those parties on the date of this Agreement, except the term of such lease shall be the number of years remaining on the lease on the date of this Agreement, or ten (10) years, whichever is longer. Except for such lease obligation, neither the Fire District nor any Municipality other than Oconomowoc shall have any further interest in the Oconomowoc Station or Concord Station, and Oconomowoc shall have no further interest in, or right to payment for, the value of the Dousman Station. Any other Fire Stations located within Oconomowoc shall be purchased by Oconomowoc on the terms and conditions contained in Section D(3) of this Article. Any such other Fire Stations located outside of Oconomowoc shall be valued and payment made to Oconomowoc under the provisions of Section XI B(2) of this Article.
2. *Other Withdrawals.* In the event of withdrawal by any Municipality other than Oconomowoc, the withdrawing Municipality shall purchase any Fire Station located within its municipal boundaries (other than the Dousman Station), on the terms and conditions contained in Section IX D(3) of this Article. Any Fire Stations located in any other Municipality (excluding the Oconomowoc Station and Concord Station) shall be valued and the value allocated to the withdrawing Municipality under Section B(2) of this Article.

ARTICLE X: AMENDMENTS

The Municipalities may alter, amend, and/or rescind all or any of the provisions of this Agreement; however, such changes shall not take effect until reduced to writing and approved by all the Municipalities.

ARTICLE XI: TERMINATION/WITHDRAWAL

A. Term. This Agreement shall take effect upon the date stated herein after the adoption by the governing body of each Municipality of a resolution approving the Agreement and authorizing its execution. This Agreement shall remain in effect in perpetuity subject to the following:

1. All Municipalities shall participate in this Agreement for a minimum of seven (7) years commencing on March 2, 2017.
2. Any Municipality wishing to withdraw from this Agreement may do so effective at the end of any calendar year after 2023 by providing two (2) years written notice addressed to the Clerk of each of the other Municipalities.
3. Termination. This Agreement may be terminated at any time by the written consent of all Municipalities, provided that this Agreement and the joint Fire Board and Fire Commission shall continue to exist for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to terminate the affairs of the Fire District.

B. Allocation of Assets and Liabilities.

1. *Disposition of Assets on Termination.* In the event of the termination of this Agreement, the Fire Board shall cause all of the assets owned by the Fire District to be appraised by competent appraisers, and the Fire Board is authorized to sell such assets to the Municipalities at the appraised value provided, however, that if more than one participating Municipality desires to purchase a particular asset, it shall be sold to the highest bidder. Failing to dispose of such assets to the Municipalities, the Fire Board is authorized to sell or dispose of the remaining assets in any commercially reasonable manner. Sale of the assets may not commence prior to four (4) months before the Dissolution Date. No delivery of any asset to the purchasing party may occur until the effective date of the dissolution of the Fire District. Disposition of Proceeds the Fire Board shall pay all of its outstanding liabilities and obligations first. Any fund balance remaining after all liabilities and obligations are satisfied shall be divided among the Municipalities in proportion to the then current year Financing Formula percentages set forth in Article V, Section I (4)(c).
2. *Distribution to Withdrawing Municipality.*
 - a. *Valuation of Assets.* In the event of withdrawal from this Agreement by any of the Municipalities hereto, the Fire Board shall purchase the interest of the withdrawing Municipality or Municipalities in any or all of the apparatus, equipment and other personal property owned by the District at the then book value thereof (that is, cost less depreciation). Depreciation on fire trucks and other similarly long-lived equipment shall be computed on a straight-line basis of 15 years and depreciation on all other equipment shall be depreciated on the basis of the regularly accepted life for such equipment. Real property and fixtures owned by the District, except the Oconomowoc Station and the Concord Station, and except, in the case of withdrawal by Oconomowoc, the Dousman Station, shall

be determined by an appraiser selected by the District, with the cost of such appraisal deducted from the payment due to the withdrawing Municipality or Municipalities. It is the intent of this paragraph that the value of the Fire Stations that revert to Oconomowoc on its withdrawal or on termination of the Fire District shall not be included in the valuation used to determine the payment to a withdrawing Municipality, and that the value of the Dousman Station shall be included only in the case of withdrawal by Dousman, Summit or Ottawa. All Municipalities shall share in the value of any other Fire Stations acquired by the Fire District during the term of this Agreement.

- b. *Allocation to Withdrawing Party.* The withdrawing Municipality's share of the District assets shall be determined by multiplying the total value of the District's assets as determined under par. (a) by the percent of the total Fire District operating budget contributed by the withdrawing Municipality in the year the withdrawal becomes effective.
- c. *Surplus Funds.* The withdrawing Municipality shall also receive its proportionate share of the surplus funds of the District on hand as of the withdrawal date. This shall include a proportionate share of any funds set aside and earmarked for any future expenditure and any operating budget surplus remaining on the effective date of the withdrawal.
- d. *Allocation of Liabilities.* The withdrawing Municipality shall be charged with its proportionate share of outstanding debt incurred for District purposes calculated in the same manner as its share of assets under par. (b).
- e. *Payment Options.* The District may elect to make the payment in a lump sum or in annual installments over a period of not more than five (5) years with the first payment due on the effective date of the withdrawal. The District shall not be obligated to pay interest on the outstanding balance in the event the payment is made in installments.

C. Amendments. Amendments to this Agreement may be proposed by any member of the Fire Board, subject to the requirements set forth in Article X. The amendment shall be submitted to the Fire Board at least thirty (30) days prior to the meeting of the Fire Board at which such amended is to be considered.

D. Survival of Debt Service Obligations. If this Agreement is terminated or dissolved in any way or if any of the Municipalities withdraw from this Agreement and are no longer a party to this Agreement, the obligation of each Municipality, if any, to annually pay its proportionate

share of the Debt Service shall survive such termination, dissolution, or withdrawal and shall continue if needed until the Loan is no longer outstanding.

E. Appointments after Withdrawal. In the event one or more Municipalities withdraw from this Agreement, the appointments made by such Municipality(ies) to the Fire Board and Fire Commission shall become immediately vacant. The authority to appoint replacement members to the positions vacated shall be made by the governing bodies of the remaining Municipalities in the following order of priority:

1. Fire Board. One member shall be appointed by the Municipality providing the largest contribution to the Fire District operating budget, provided that such appointment will not result in the Municipality having the power to appoint a majority of the members, in which case the appointment shall be made by the second largest contributor. If more than one position is vacated, the second and subsequent appointments shall be made by the next largest contributors to the Fire District operating budget (in order of percentage of contribution) not otherwise acquiring an additional appointment under this paragraph. After each remaining Municipality has acquired an additional appointment under this section, subsequent appointments shall be made in the same order of priority, except that the restriction against appointment of a majority of the members shall not apply.
2. Fire Commission. Appointments to fill vacancies on the Fire Commission under this section shall be made by the remaining Municipalities in the same order as provided for appointment of a second member under Article VI, Section B. The next Municipality in order following the one making the alternating appointment under Article VI, Section B shall make the appointment to fill the vacancy for the balance of the unexpired term. Thereafter, there shall be two alternating appointments made in accordance with Article VI, Section B with the next two regular alternating appointments made by the Municipality filling the vacancy making the first alternating appointment and the following Municipality in the sequence making the second.

F. Withdrawal Fee. As a condition to exercising its right to withdraw from this Agreement, the withdrawing Municipality shall pay the Fire District at the time of notification of withdrawal pursuant to section XI A.(2) a withdrawal fee equal to twenty percent (20%) of that Municipality's contribution to the Fire District's operating budget in the calendar year prior to the date of its notification. If all parties mutually agree to the withdrawal of a Municipality from the Fire District, the withdrawal fee may be waived.

ARTICLE XII: ADDITIONAL PROVISIONS

A. Binding Effect. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of all of the parties hereto and their permitted assigns. No party to this Agreement may assign any of its rights or delegate any of its duties or obligations under this Agreement without the prior written consent, in its sole discretion, which cannot be unreasonably withheld, of all of the other Municipalities.

B. Rules of Construction. The captions in this Agreement are inserted only as a matter of convenience and in no way affect the terms or intent of any provision of this Agreement. All defined phrases, pronouns, and other variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural, as the actual identity of the organization, person, or persons may require. No provision of this Agreement shall be construed against any party hereto by reason of the extent to which such party or its counsel participated in the drafting hereof.

C. Choice of Law and Severability. This Agreement shall be construed in accordance with the internal laws of Wisconsin. If any provision of this Agreement shall be contrary to the internal laws of Wisconsin or any other applicable law, at the present time or in the future, such provision shall be deemed null and void, but shall not affect the legality of the remaining provisions of this Agreement. This Agreement shall be deemed to be modified and amended so as to be in compliance with applicable law and this Agreement shall then be construed in such a way as will best serve the intention of the parties at the time of the execution of this Agreement.

D. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto regarding the terms and operations of the Fire Board, Fire Commission, and Fire District, except for any amendments to this Agreement adopted in accordance with Article X hereof. This Agreement supersedes all prior and contemporaneous agreements, statements, understandings, and representations of the parties regarding the terms and conditions of the Fire Board, Fire Commission, and Fire District, except as provided in the preceding sentence. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making such waiver.

E. Notices. All notices, requests, consents, or other communication provided for in or to be given under this Agreement shall be in writing, may be delivered in person, by facsimile transmission, by overnight courier, or by mail, and shall be deemed to have been duly given and to have become effective: 1. one (1) day after having been delivered in person or by facsimile; 2. one (1) day after having been delivered to an overnight courier; or 3. three (3) days after having been deposited in the mail as certified or registered mail, all fees prepaid, directed to the parties or their assignees at the following addresses (or at such other address as shall be given in writing by a party hereto): City Clerk, City of Oconomowoc, 174 East Wisconsin Avenue, Oconomowoc, Wisconsin 53066, with a copy to the Mayor and City Administrator; Village Clerk, Village of Dousman, 118 S. Main Street, Dousman, WI 53118 with a copy to the Village President; Village Clerk, Village of Summit, 2911 N. Dousman Road, Oconomowoc, WI 53066 with a copy to the Village President and Village Administrator; and Town Clerk, Town of Ottawa, W360 S3337 Hwy 67, Dousman, WI 53118 with a copy to the Town Chairperson. Notices and other communications may also be delivered by electronic mail and shall be deemed delivered at the time of acknowledgment of receipt thereof by the intended recipient.

F. Expenses. Except as otherwise specifically provided in this Agreement, the parties shall pay their respective expenses and costs incurred or to be incurred in negotiating and carrying out the terms of this Agreement, including without limitation all of their respective attorneys' fees.

ARTICLE XIII: ADOPTION OF ORDINANCE

The Municipalities will repeal any respective ordinances creating the heretofore existing Fire District, and adopt this Agreement as an ordinance for purposes of creating the Western Lakes Fire District, Western Lakes Fire District Fire Board, and Western Lakes Fire District Fire Commission.

ARTICLE XIV: EFFECTIVE DATE

This Agreement is effective immediately upon full execution of the parties, subject to the following. The Fire District described herein shall be in existence with full authority at 12:01:01 a.m. on March 2, 2017. The Fire Board described herein shall be in existence with full authority immediately upon full execution of this Agreement, following the appointment of the members thereof as described herein. The Fire Commission described herein shall be in existence immediately upon full execution of this Agreement, following the appointment of the members thereof as described herein, for the limited purpose of preparing for the timely full implementation, and shall have full authority at 12:01:01 a.m. on February __, 2017.

[Signatures appear on following page]

Dated this _____ day of _____, 2017

TOWN OF OTTAWA

Richard Arrowood, Town Chairman

ATTEST:

Melissa Klein, Town Clerk

Dated this _____ day of _____, 2017

VILLAGE OF DOUSMAN

Jack Nissen, Village President

ATTEST:

Penny Nissen, Village Clerk

Dated this _____ day of _____, 2017

VILLAGE OF SUMMIT

Jack Riley, Village President

ATTEST:

Debra Michael, Village Clerk

Dated this _____ day of _____, 2017

CITY OF OCONOMOWOC

David Nold, Mayor

ATTEST:

Diane Coenen, City Clerk

**Proposal for Consolidation
Dousman Fire District and
Oconomowoc Fire Department
Creating the
Western Lakes Fire District**



Prepared by the
Dousman Fire District

October 3, 2016



***The Success of
Teamwork***

Coming together is a beginning.

Keeping together is progress.

Working together is success.

~ Henry Ford ~

*“We would accomplish many more things if
we did not think of them as impossible.”*

- Vince Lombardi

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DOUSMAN FIRE DISTRICT

107 S. Main Street • Dousman, WI 53118-9557

Station: 262-965-2262 • Fax: 262-431-4812 • Web: www.dousmanfd.org • Email: info@dousmanfd.org

September 19, 2016

City of Oconomowoc Common Council
Village of Summit Board
Village of Dousman Board
Town of Ottawa Board
c/o Dousman Fire District Fire Board

Dear Municipal Leaders,

Thank you for the opportunity to present this proposal for your review. We are extremely excited about the potential consolidation of our two agencies and the operational and budgetary efficiencies that will result. With the cuts in shared revenue at the State level, and the continuing cap on property tax increases, all levels of local government must look for ways to do more with less while still providing the superior customer service expected by its citizens.

The Dousman Fire District and the Oconomowoc Fire Department have several commonalities which have been identified during the past 20 months as we have been working under a Shared Services Agreement. Both agencies have over 40 years of experience providing exceptional Fire and EMS services to the citizens using a minimal amount of resources. The Shared Services Agreement has allowed the two departments to work together operationally as one district. Additional efficiencies and opportunities are available through a consolidation of the two independent departments.

It is clear that the consolidation of services across multiple municipalities is a solution when faced with increasing operational costs. The last thing we should impose upon the tax payers in our communities is wasted time, effort, and resources on a consolidation that has too many hurdles to overcome. We believe the consolidation of the Dousman Fire District and the Oconomowoc Fire Department has a high probability of succeeding, and we hope you will share our belief after reviewing this proposal.

Professionally,

George A. Morris

George A. Morris
Fire Board President

Bradley R. Bowen

Bradley R. Bowen
Fire Chief

Introduction

We are here tonight representing the Dousman Fire District to present a fire, ambulance and paramedic level services proposal to the Oconomowoc City Council. We are here on behalf of the current owners of the Dousman Fire District – the Village of Dousman, Town of Ottawa and Village of Summit. On Monday, September 19, 2016 these groups voted to present this proposal to the City of Oconomowoc.

This proposal comes after three recent events:

First, in 2011-12 the Summit Fire District and Dousman Fire District consolidated into the current Dousman Fire District. This process started in October, 2011 and was complete on January 1, 2013. The four communities involved in that process were the Village of Dousman, Town of Ottawa, Village of Summit and Village of Oconomowoc Lake. As a result of that consolidation decision, the three owners of the Dousman District have already saved \$1,380,334 in Operating Costs and \$1,732,090 in Capital Improvement Costs. This consolidation also allowed the Dousman Fire District to upgrade their EMS service level to the paramedic in July of 2014. Our group has gone through consolidation before and we have already seen the benefits, including improved services and financial savings.

The second reason for this proposal evolves from the current Shared Services program between the Oconomowoc Fire Department and Dousman Fire District. Over the past 20 months our two organizations have coordinated staffing, equipment and facilities to improve service levels for the City and response times for the Dousman District. This cooperative effort is only possible through a waiver from the State of Wisconsin. The State has indicated that they will not allow this waiver indefinitely. When the waiver was submitted initially it was for one year. In 2016, the waiver was submitted for an extension, which required additional documentation on service improvements in the level of service for the current year. The State approved the extension, however, indicated that the two departments would need to make a decision on consolidation or separation at the end of the waiver period. The State requires updates on the current program and a report of the next steps. Rather than wait for the State to force a decision on our communities, the current staff of both departments recommend that the City of Oconomowoc consider consolidation of the two departments as the next logical step in Shared Services. This is a bottom-up recommendation, not a top-down decision. The staff and employees of both departments see the benefits of the current Shared Services program and recognize the possibilities of a consolidated department.

A third reason for this proposal is the cost savings AND increased level of services that are possible from a consolidated department. Upon hearing about the imminent departure of Chief Beguhn as Public Safety Director at the City, we contacted the City to ask if a consolidation proposal would be received or if the City had already committed to maintain the same organizational structure. This proposal would not be made if the upper management in the City's fire service did not support the proposal. Human resources, administration, payroll, scheduling, finances and dispatch can all be addressed jointly (and have been during the Shared Services program). The potential savings result from consolidated services, staffing, and equipment purchases.

The following presentation shows that the consolidated Western Lakes Fire District can provide the City of Oconomowoc with improved fire protection services and expanded life safety services at the paramedic level identified as a goal in your 2017 budget, but at a significantly lower cost than providing these services separately. The City of Oconomowoc can achieve the paramedic level services that have been stated as a goal of your department for the past four years. The Western Lakes Fire District would achieve this level of service on day one. In order to accomplish this independently as the Oconomowoc

Fire Department, it would cost the City residents an additional \$935,000 over and above the current budget, increasing the budget to \$1,740,370. Our analysis indicates that this level of service could be achieved by the consolidated Western Lakes Fire District for a cost of \$949,427 to the City. This is an additional \$144,120 to the City budget. That means that for an additional \$9 per person per year, the City would have 24/7/365 paramedic coverage and staffing out of both stations. This funding formula is a modification of the current one used by the Dousman Fire District, and also modified from the North Shore Fire Department.

The members of the current Dousman Fire District will also benefit from this consolidation. The department has already invested \$236,000 in the personnel changes and training requirements to achieve 24/7/365 paramedic service levels. Together we have identified reduced capital expenses for both departments by \$2,300,000 during the 20-year projections included in this report.

This proposal is made to you today because it's budget time. The Dousman Fire District is struggling with the investment they have made in personnel to provide the paramedic service levels we have all enjoyed for the past 20 months. The City of Oconomowoc will not have that level of service in your 2018 budget when the State stops the Shared Services waiver. The two groups can together provide continuation of the current paramedic level of service at a significantly lower cost than separately.

The City and Dousman Fire District may certainly decide to continue with the existing structure of two departments, two administrations, two separate personnel groups, two sets of equipment and facilities, two budgets and two debt service programs. The local elected officials will make that choice. However, we recommend that you consider action to consolidate the two groups into the Western Lakes Fire District resulting in the higher service levels that all of our communities strive to provide to our residents.

Dousman Fire District Overview

The Dousman Fire District was formed in 1968 and covers the Villages of Dousman and Summit, and Township of Ottawa. In 2013, the Dousman Fire District completed a consolidation with the Village of Summit to provide services to the entire Village. In 2014, the district completed a contractual consolidation with Sullivan EMS to provide emergency medical services in the Village of Sullivan and Townships of Sullivan and Concord and in 2015 the District completed a consolidation to provide services to the entire Town of Ottawa.

The Dousman Fire District operates and staffs three stations which provide fire suppression, rescue operations, community education/outreach, and emergency medical services at the paramedic level to six communities in Waukesha and Jefferson Counties. Communities served by the District include the Villages of Summit, Dousman, and Sullivan, as well as the Townships of Ottawa, Concord, Sullivan. The stations are located at 107 S. Main Street in the Village of Dousman, 1400 Oconomowoc Parkway in the City of Oconomowoc, and 912 Front Street in the Village of Sullivan. Covering approximately 125 square miles, the Dousman Fire District's service area is a diverse mix of suburban, rural, and wild land-urban interface with a population of approximately 15,000. Included in the Fire District's coverage area are a State Forest, Level 2 trauma hospital, several miles of Interstate 94, three large behavioral/mental health facilities, two large elderly living facilities, and several educational facilities.

The District is a combination district comprised of four full-time personnel, approximately 90 paid-on-premise/paid-on-call personnel, and includes a robust intern program to augment the staffing in the district. A resident internship program was added in 2016 by the District to maintain services and to provide individuals interested in Fire/EMS an entry level career path. The full-time staffing consists of a Fire Chief, two Deputy Fire Chiefs (Fire & EMS), and a Firefighter/Paramedic/Inspector. A part-time administrative assistant position is also scheduled for 10 hours per week. The minimum daily staffing for the District is 9 personnel between the three stations. This staffing provides a duty chief 24/7/365, and three ambulances that are also cross staffed with either an engine/quint/rescue. Additional staffing from paid-on-call personnel ensures adequate staffing for all fire, rescue, and motor vehicle incidents.

The District's annual call volume is over 1,700 calls per year including a mix of fire, emergency medical, and high acuity incidents which continue to increase every year. The District participates in several joint special service teams in the region including Western Waukesha Rapid Intervention Team, Western Lakes Dive Team, and a regional Emergency Rescue Task Force. The District also works with the Oconomowoc Fire Department under a Shared Services agreement, providing paramedic care and joint responses to fire and EMS incidents in the City of Oconomowoc, Town of Oconomowoc, and Town of Ashippun. The District is part of both MABAS Division 106 and Division 118 due to the communities served by the District. Automatic and mutual aid responses are an important part of District operations and are taken seriously. In addition to the special teams, the District also maintains an Emergency Rehabilitation Unit that responds to large scale incidents throughout the region.

Oconomowoc Fire Department Overview

The City of Oconomowoc Fire Department is a combination department, established in 1880. The Department has 6 full-time and 45 paid-on-call members. The full-time staff consists of a Deputy Chief, a Lieutenant, and 4 full-time Firefighter/Paramedics. There is one 18 hour per week Administrative Assistant. Of the paid-on-call members, 4 are Firefighter/Paramedics, 34 are Firefighter/EMTs and 7 are “EMT-Only” personnel. Over the past four years, our Department has responded to an average of 433 (457 in 2015) fire calls and 1,098 (1,155 in 2015) EMS calls annually. A total of 1,612 emergency calls for service were handled in 2015. We protect a population of 16,656 (WDOA population estimate as of 1/1/16) citizens in our primary fire response area and an approximate additional 2,902 citizens in our two fire protection contract areas. These contract areas consist of the entire Village of Lac La Belle and approximately one-third of the Town of Oconomowoc.

The Oconomowoc Fire Department provides Emergency Medical Services at the EMT – Intermediate Technician level. The EMS service area is 30.2 square miles with 18 square miles of it being contract coverage areas in the Town of Oconomowoc, the Town of Ashippun and Village of Lac La Belle. The Department primarily operates out of one station, in the former geographic center of the response area. Under shared services, Oconomowoc is able to provide Paramedic Level EMS and joint Fire response out of Fire Station 2. However, this is only during weekdays, from 0600 until 1600 hours. It has been working extremely well to reduce response times and enhance service delivery.

New commercial and residential development is occurring on the north-east side of Oconomowoc. There are thirteen elderly housing, assisted living and nursing home facilities in the community, with two additional facilities scheduled to be completed this year. Oconomowoc Memorial Hospital is also located in the City, with a 24-hour emergency department and a regional cancer center. The Aurora Summit Medical Center, a Level 2 trauma center hospital, is just outside of the fire area. There is a regional high school, two middle schools, seven public and parochial grade schools, eight day care centers, a 250,000 square foot YMCA, a 400 room resort hotel, three large industrial and corporate centers and 3 large shopping centers. There is a 1.5 million square foot retail store distribution center and a second, 1.3 million square foot retail food distribution center in the response area. The target hazard for the second distribution center is that it is refrigerated and has 6,000 lbs of anhydrous ammonia in use on a daily basis.

The City of Oconomowoc surrounds 78-acre Fowler Lake, and occupies one-third of the shoreline of the 1,138 acre lake, Lac La Belle. Oconomowoc Fire Department provides fire, EMS, and Dive Team emergency water responses for the entire area of both lakes. The transient population this creates contributes to the fire and EMS responsibilities of our Department. Two major State highways cross here, with a busy “bypass” routing high-speed traffic around the perimeter of the City. A busy passenger and freight railroad bisects the city and our response area from east to west. Oconomowoc Fire also participates in a joint Rapid Intervention Crew initiative with the Dousman Fire District, Lake country Fire and Rescue, and Stone Bank Fire Department.

	Dousman Fire District	Oconomowoc Fire Department	Western Lakes Fire & EMS District
Population	10,924	16,464	27,388
Total Population Served	14,653	19,558	34,211
Square Miles	125.34	33.2	158.54
ISO Rating	4/5/10	4/7	3/5/6/10
2016 Levy Budget	\$750,000	\$805,307	\$1,555,307
Fire Board Members	5	0	7/9
Fire Department Personnel	97	54	140
EMS Level of Service	Paramedic	EMT-Intermediate Technician	Paramedic
Ambulances	4	3	7
Ladder Trucks	2	1	2
Engines	2	2	3
Tankers	2	1	3
Heavy Rescue/Support Trucks	1	1	1
Brush Trucks	2	1	3
ATVs	2	1	3
Other Vehicles	5	6	10

Table 1

Objective #1

- **The consolidated district will maintain or improve service levels for all ownership communities. Service levels will be identified district-wide, not based on individual stations.**
- **The service level should include, but not be limited to, paramedic service, ambulance service, full-time staffing.**

Currently the Dousman Fire District provides ambulance service within its boundaries and to contracted areas at the paramedic level. Primary ambulance services are maintained utilizing three intermediate ambulances and one paramedic unit 24/7/365 which are strategically placed throughout the district. This model has been developed using the current call volume and response times throughout the district. The paramedic unit operates as an intercept unit for the three ambulances that are staffed at the intermediate technician level.

Currently the Oconomowoc Fire Department provides ambulance service within its boundaries and to contracted areas at the intermediate technician level. Primary ambulance services are maintained utilizing one staffed intermediate technician ambulance 24/7/365 which is supplemented utilizing all available paid-on-call EMT's when secondary requests for service arise. From 6am until 4pm Monday through Friday the Oconomowoc Fire Department has a second ambulance in-service at Station #2 under the Dousman/Oconomowoc Shared Services Agreement. Under this agreement Oconomowoc is also able to utilize its full-time paramedics to provide paramedic care under the Dousman Fire District service license. When the Oconomowoc Fire Department full-time paramedics are off duty Oconomowoc requests paramedic intercepts from the Dousman Fire District or Lake County Fire & Rescue as needed to assist their intermediate technician crew.

A consolidated Dousman-Oconomowoc fire district would provide paramedic level ambulance service within its boundaries and to contracted areas. This would be accomplished with a total of four ambulances across four stations and two paramedic units strategically placed within the district. The EMS level of service would be EMT-Paramedic.

The Dousman Fire District currently has four full-time employees, and the Oconomowoc Fire Department has six full-time employees. The proposed consolidated budget utilizes the current full-time employees. The schedules of the full-time positions would be adjusted to ensure adequate 24/7/365 coverage throughout the district based on paramedic, operational, and administrative needs. Utilizing the current full-time positions, along with paid-on-premise and paid-on-call staff will allow all four stations to be staffed 24/7/365 with minimum staffing capable of meeting the emergency medical needs of the district.

Should a Dousman-Oconomowoc consolidation occur, we would also attempt to add additional full-time personnel through the application to FEMA's Staffing for Adequate Fire and Emergency Response (SAFER) grant program. The SAFER grant provides financial assistance to help fire departments increase the number of firefighters. It pays for 100% of a newly hired firefighter's salary and benefits for two years, and requires fire departments to retain that firefighter for one additional year. As a consolidated fire district we would need to look at adding three additional full-time positions after three years. This grant program may allow the positions to be added sooner and save the municipalities money during the first two years of their employment. Each department is currently operating extremely lean with full-time positions. Many operational and administrative tasks are delayed or go unaccomplished due to the limited number of full-time employees. The full-time positions are the support structure for the paid-on-premise and paid-on-call employees. These critical positions supplement the other staffing models utilized throughout the district ensuring experienced and knowledgeable staff are on scene. This helps decrease liabilities and maintains services in a consistent manner. Independently, both departments need, and would benefit from, an additional three full-time positions each over the next five years. There is also a need for additional administrative and command level positions independently. As a consolidated department the number of additional full-time positions would be decreased to three additional firefighter/paramedics and one additional chief officer over the next six years. As with all Federal grants, there is a lot of competition for a small amount of money, and given the Federal Government's current fiscal condition, there is no guarantee that the program will exist from year-to-year, but it is an option that will be explored nonetheless.

Objective #2

- **Identify how the consolidated district will improve ISO ratings throughout the district to benefit homeowner and commercial insurance premiums.**

There is another possibility for savings, though not for the Western Lakes Fire & EMS, but for the citizens and businesses of the Western Lakes Fire & EMS District. ISO ratings are used by some insurance companies to determine the cost of insurance for homeowners. The ratings range from 1 (best) to 10 (worst) and are based on the level of fire protection available in a particular area and have several components including staffing, water sources, and dispatching. The Dousman Fire District's current ISO rating is 4 within the Village of Dousman, 5 outside of the Village of Dousman and within 7 miles of the fire station, and 10 for the southern portion of the Town of Ottawa. The Oconomowoc Fire Department's

current ISO rating is 4 within the City of Oconomowoc, 7 outside of the City of Oconomowoc and within 7 miles of the fire station.

In talking with an ISO representative, we were advised that there is a strong potential with consolidation the entire district could see improvements in the ISO ratings. It would be too early to tell at this point what the improved rating would be, but the representative stated that past history shows ISO ratings have gone down when fire departments consolidate. If a Dousman-Oconomowoc consolidation would occur, a review of the ISO rating would be completed as soon as possible to allow citizens to realize any potential cost savings on their insurance rates. The service level improvements seen through the consolidation would directly influence the ISO ratings. These improvements include staffing levels both in house and paid-on-call, training, and dispatching.

To determine what the impact could be for commercial occupancies in the district, we consulted with local businesses to determine how a decreased ISO rating could impact their premiums. If the ISO rating dropped one category, the rate would decrease by 1/10th of \$0.01. For example, a building valued at \$5,000,000 would save approximately \$50 per year on their premium. The proposed Western Lakes Fire District has approximately 1,000 commercial occupancies of varying values. If we took an average savings of \$50 per occupancy throughout the district this would save the commercial occupancies in the district approximately \$50,000 annually on their insurance premiums. Residential insurance premiums and rates are also affected by ISO ratings and the factors that go into the formula. It is hard to determine the impacts of these changes to the residential occupancies, but positive changes in ISO ratings would also positively affect residential occupancies.

Objective #3

- **Create a coverage map; demonstrate that average response time should be equal to or better than the current response times.**

In creating a response time map, we wanted to accurately estimate drive time based upon the rural, urban, topography, and road characteristics present within the communities a consolidated fire district would serve. To do so, simply drawing a series of circles would not suffice, as the characteristics of the roads within that circle can vary greatly and does not accurately predict how vehicles travel on the ground. Instead, we utilized Google Maps to develop an interactive response time map using the ArcGIS extensions provided by Esri, a leading geographic information systems (GIS) software development company. Municipal boundaries were obtained from Waukesha County's GIS Internet Mapping Site and overlaid on the map.

Appendix C depicts response times from the four fire stations of a consolidated Dousman-Oconomowoc fire district. Municipal boundaries are shown in gold, and the response times are shown in various colors for each station. There are three color gradients for each station which represent four, eight, and ten minutes of drive time and is based upon driving according to posted speed limits. Since driving in emergency mode is unpredictable (traffic, road conditions, etc.), using the posted speed limit is a known measurable value. The fire stations of the consolidated fire district are represented with red pins and labeled as such. Neighboring fire stations are represented with grey pins. To optimally view this map, however, see the interactive version at <http://www.dousmanfd.org/ResponseArea/>. Please note that the map works best using the Mozilla Firefox or Google Chrome browsers, and clicking on each pin to show its respective response time takes a few seconds to render the data. Clicking on the pin again will hide the response time.

As shown on the map, response times are within 10 minutes for a majority of the area covered by a consolidated fire district and are equal to or better than what they are currently. NFPA 1710, the Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments, defines response time as the time that begins when units are en route to an incident (wheels rolling) and ends when the units arrive on scene (wheels stopped). NFPA 1710 also establishes EMS operational requirements as follows:

- Fire departments which provide BLS-level care must deploy sufficient mobile resources to arrive within a four-minute response time frame for 90% of all incidents.
- Fire departments which provide ALS-level care must deploy sufficient mobile resources to arrive within an eight-minute response time frame for 90% of all incidents.

Keeping in mind that NFPA 1710 was developed for career departments, which are typically located in more suburban and urban areas, a consolidated Dousman-Oconomowoc fire district would come close to meeting this standard. This is important as the joint district provides services to municipalities with characteristics that meet the definition of rural, suburban, and urban.

Objective #4

- **Identify the operational benefits of a jointly owned and operated district to each municipality compared to providing equal services as an independent.**

The Dousman Fire District and Oconomowoc Fire Department both have seen operational and service improvements through Shared Services. In order to accurately evaluate the benefits of a consolidation, these benefits have been removed from the current operations. Shared Services currently has a sunset date of December 2017 so the benefits of the program would no longer be seen without a consolidation. With a consolidation, all of the benefits of Shared Services would be maintained and actually increased. In March of 2016 the Shared Services data was reviewed and presented to the chief elected officials of each municipality. The review of the program demonstrated very positive results for both agencies.

Deficiencies of being independent without shared services or consolidation

Dousman

- Significantly Increased response times
- Decreased number of available and seasoned paramedics
- Loss of additional command and support staff
- Decreased daily staffing

Oconomowoc

- Increased response times
- Less staffing to staff fire and ems crews
- Loss of paramedic intercept services currently within city limits (Station 2)
- Increased costs for paramedic intercepts
- Oconomowoc paramedic coverage reduced from 24/7 to requesting intercepts
- OFD remains licensed at EMT-Intermediate Technician

Benefits of consolidation

Dousman

- Additional paramedic services on northern end of district
- Experienced paramedic mentors resulting in decreased liabilities
- Immediate 24/7 fire and EMS response out of all fire stations
- Decreased response times
- Decreased ISO numbers resulting in premium savings to residents
- Command and field level depth in staff

Oconomowoc

- 24/7/365 paramedic coverage to all city residents
- Decreased response times
- Increased staff available
- Immediate 24/7 fire and EMS response out of all fire stations
- Additional fire & EMS units available for immediate response to entire service
- Decreased demand and expectations on already taxed paid-on-call employees
- Decreased ISO numbers resulting in premium savings to residents
- Command and field level depth in staff

Objective #5

- **Identify the cost benefits of a jointly owned and operated district to each municipality compared to providing services as an independent.**

In order for the Dousman Fire District and Oconomowoc Fire Department to maintain the current services that are being provided as a result of Shared Services we have identified the costs for each agency to maintain these services. Currently with the PILOT Shared Services agreement between Dousman and Oconomowoc we are able to provide immediate paramedic care throughout the shared district. The two departments are also able to provide an immediate fire response out of the Pabst Farms Station during shared service times. Shared services are allowed due to a waiver that has been granted by the Wisconsin EMS Office. Currently under DHS 110, EMS Services are not able to be cross staffed and respond to incidents. Therefore, the Dousman paramedic license wouldn't be able to be used as fluently with Oconomowoc. A form of paramedic intercept would be required instead. In December of 2014, a PILOT was approved by the State EMS Office to prove concept. In January 2016, the PILOT was renewed with a sunset date of December 2017. This means that in 2018 Shared Services will no longer be possible, resulting in the following cost increases to each department to maintain the services currently being provided:

The Dousman Fire District would be required to add additional staff to Station #2 to make up for the shared staff with Oconomowoc. In addition to those staff, the district would need to add three full-time firefighter/paramedics due to the current call volume, inspection requirements, and need for seasoned paramedics. The current part-time administrative assistant position would also need to be full-time.

Dousman Costs to Achieve Similar Service Levels:

- Additional paid-on-premise staff at Station 2 = \$100,000
- Additional (3) full-time firefighter/paramedics = \$270,000

- Administrative Assistant = \$30,000
 - **TOTAL COST = \$400,000**

The Oconomowoc Fire Department would also be required to add additional staff. The additional staff would be required to staff Station #2 as well as administrative staff. The costs listed below provide Oconomowoc with a staffed EMS crew out of both stations, paramedic service, and wage adjustments to the paid-on-premise staff to be comparable with area department wages. There is also funding allocated for administrative and command depth within the organization. The additional full-time positions are required due to the workload on the current positions including call volume and fire inspections.

Oconomowoc Costs to Achieve Existing Service Levels:

- Staffing Station #2 with two paid-on-premise staff = \$200,000
- Implementing weekend/holiday premium to ensure paid-on-premise staffing = \$45,000
- Implementing on call bump up program for paid-on premise = \$130,000
- Paramedic Level Operational Costs = \$75,000
- Additional (4) full-time firefighter/paramedics = \$360,000
- Command Level Depth including Fire Chief specializing in Fire/EMS = \$125,000
 - **TOTAL COST Paramedic Level & Staffing = \$935,000**

Objective #6

- **A consolidated district would have fractional ownership and representation into the governance of entity.**

Currently the Dousman Fire District Fire Board has five members: one from the Village of Dousman, two from the Town of Ottawa, and two from the Village of Summit. Members of the Fire Board are citizens appointed on a yearly basis by their respective municipal boards. The Fire Board functions much like a municipal governing board overseeing the finances of the district’s budget as approved by the municipalities. The Fire Board reviews and approves district policies, oversees operations, and works with district staff. The Chief of the District or an administrative level representative regularly attends municipal meetings to keep municipal leaders and citizens informed of district operations and activities.

Twice a year a joint Board Meeting is held between the Fire Board and all the Elected Officials that own the District. The spring meeting is held in April with presentations including the previous year’s audit, budget, and accomplishments. The spring meeting also covers the current year’s objectives and accomplishments to date and a preview of future operational and capital budgets. The fall meeting is held in October and is the joint budget meeting.

The Dousman Fire District communicates with the Executive Committee throughout the year. The Executive Committee is comprised of the Chief Elected Official from each municipality which governs the Fire District. The Executive Committee is consulted during budget discussions, contract service agreements, goals of the district, and any other time the Fire Board or Chief feels it is necessary to consult the Executive Committee.

A consolidation of the two agencies would require establishing a Fire Board with representation for all of the municipalities involved. Fire Board members would be appointed by their respective municipal boards on a yearly basis and should be residents of the municipality they represent.

The consolidated Fire Board could be established using one of the following structures:

- 1) A seven member Fire Board with (2) representatives from the three municipalities paying the larger shares of the budget, and (1) representative from the smallest contributor.
- 2) A nine member Fire Board with (3) representatives from the largest budget contributor, and (2) representatives from each of the remaining municipalities.

Objective #7

- **Maximize the cost savings.**

Cost savings for most communities would be realized almost immediately upon the consolidation taking effect. Cost savings of operational expenditures will be seen for all municipalities as the costs of providing full-time Fire and EMS services at the paramedic level will be significantly less than providing them as an independent. Objective #5 identifies the costs of providing these services independently. An actual savings will be seen for all municipalities in capital expenditures. The consolidated district will decrease the number of current apparatus by four without decreasing service capabilities to any municipality. For the City of Oconomowoc, operational costs would increase; however, Oconomowoc will still realize the benefits of a consolidated fire district, which include additional full-time and part-time staff, long-term savings from not having to replace duplicate equipment, and spreading out the cost of new equipment purchases among a greater number of municipalities. The reason for the increased operational costs for the City of Oconomowoc is due to the fact that over the last three years the owners of the Dousman Fire District have increased their costs to provide paramedic services and guarantee minimum staffing 24/7/365.

Appendix M shows a comparison of the Dousman Fire District and the Oconomowoc Fire Department 2017 budgets, and a proposed budget for a consolidated fire district. The combined tax levy for the Dousman Fire District and the Oconomowoc Fire Department in 2017 is \$1,720,748. The tax levy proposed for a consolidated fire district is \$25,000 less than the current combined levy. Though a significant immediate savings on the levy is not identified, the need for significant increases for both departments is decreased. Appendix G shows the net per capita costs for Fire/EMS services in comparable municipalities that are providing paramedic level service. It should be noted that the average Wisconsin per capita costs is \$141.00, and this comparison shows an average cost of \$112.00. The Western Lakes Fire District average per capita cost is projected to be \$64.00.

Appendix P lists the current apparatus inventory of both the Dousman Fire District and the Oconomowoc Fire Department, what pieces of apparatus could be eliminated under a consolidated district, and what the eventual replacement costs of the equipment would be if maintained. We would propose that in a Dousman-Oconomowoc consolidated fire district, duplicate pieces of apparatus could be eliminated. If a consolidation were to occur in 2017, before the two independent departments move forward with their CIP, a savings of \$150,000 would occur. The savings seen in 2017 is a direct result of delaying the purchase of one engine and the reallocation of current resources. The savings is not equal to the entire cost of the engine as there are other items that need to be completed in order to facilitate the consolidation. However, a combined savings of over \$2,300,000 would be realized over the course of the next 20 years by not having to replace or purchase various pieces of apparatus.

Another area in which a significant cost savings would be obtained is through the utilization of paid-on-call, paid-on-premise, and internship personnel. While additional full-time and part-time staff would be

hired, paid-on-call personnel would be critical to keeping salary costs down. Paid-on-call employees offer a tremendous value for the money and with the right training, leadership, and a positive environment, we believe they can offer the same level of excellent customer service provided by full-time staff. While there's no doubt volunteerism has declined in recent years, the trend that we are seeing is an increasing number of people applying who want to make the fire service or medical field a career. These individuals are looking for a place to gain valuable experience in a competitive and growing job market.

The following additional cost savings would also be realized in a consolidation between Dousman Fire District and Oconomowoc Fire Department:

- Savings can be obtained through the renegotiation of fees for insurance, ambulance billing, and other services.
- Through consolidation, each municipality receives paramedic level services, and stations that are staffed 24/7/365. The cost of providing these services independently would add \$400,000 to the Dousman Fire District and \$935,000 to the City of Oconomowoc. This would be a \$1,335,000 increase. Through consolidation, the increase of providing equivalent services is less than \$170,000.
- While not a cost savings for the municipal tax levy, commercial and residential insurances would decrease by the increased level of service and decreased ISO ratings throughout the district. Some municipalities would see a greater decrease than others due to a variety of factors, mostly due to municipal water systems.
- While not a cost savings, a consolidated fire district would realize additional revenue from increased 2% Fire Dues and Act 102 payments. The 2% Fire Dues program is funded by fire insurance premiums paid in Wisconsin. The money is distributed to municipalities to be used for the purchase of fire protection equipment, fire prevention inspection and public fire education, as well as training firefighters and fire inspectors. The Act 102 program provides funding to ambulance services that provide 911 patient transport response to a particular geographic area. The money is distributed based on a two-part formula and includes a base sum plus a factor based on calls, service area, population, and EMT roster size.

Objective #8

- **Use the existing Dousman Fire District funding formula as a pattern for the consolidated fire district, including existing equipment and permanent facilities from each entity.**
 - a. **A consolidated district should give credit for existing equipment initially; when new equipment is purchased by the consolidated district, the new district will own the equipment.**
 - b. **A consolidated district should give credit for existing permanent facilities initially. The new district will own any new equipment or facilities purchased or constructed after January 1, 2017.**
 - c. **A consolidated district will not penalize municipalities for past debt liabilities.**

Currently, the Dousman Fire District utilizes a funding formula that is based on a three year rolling average of the call volume, population, and equalized value of improvements of each municipality.

Times have changed, however, and while some areas of both fire districts remain rural, other areas have undergone extensive development. There are now several areas of concentrated population, and commercial and industrial development, which did not exist 40 years ago. Both departments provide ambulance services in addition to fire suppression. Over the last five years, the cost of providing these services has significantly increased due to state and federal mandates, including minimum wage laws, decreased volunteerism, and reduced funding. While some of the costs for ambulance services are recoverable through ambulance billing, both the Dousman Fire District and Oconomowoc Fire Department are increasingly operating at a loss when transporting Medicare/Medicaid patients due to the decreasing maximum amounts the federal government is providing for reimbursement. The payer mix of both jurisdictions is very similar. About 60% of the patients transported by both departments are Medicare or Medicaid. The payment for these services covers approximately 25% of the actual costs of providing these services.

As a result, there is now a disparity between what each municipality pays and which ones receive the most amount of service. This is not a new problem that needs to be solved by us. Communities across the state, as well as across the country, have already tackled this issue and devised better and more equitable ways to distribute the costs of a fire district among multiple municipalities. Some examples of this were found at nearby departments.

The North Shore Fire Department was formed between 1992 and 1994, and consists of the communities of Bayside, Brown Deer, Fox Point, Glendale, River Hills, Shorewood, and Whitefish Bay. They use a funding formula which contains three components: call volume, population, and total equalized value. Each component is weighted and the result determines the level of funding each municipality contributes. They have adjusted their formula over the last 20 years, but have maintained the three components. Currently, they recalculate the percentage that each municipality pays every five years. This gives the municipalities some stability as it relates to budget contributions. For five years the municipalities know what the percent of the budget is their responsibility.

The Lake Country Fire Department was formed in 2009 and uses the North Shore funding formula, but instead of total equalized value, equalized value of improvements is used. The rationale behind this change is that a fire department protects the improvements to the land (e.g., structures) and not the land itself, therefore the value of the land is inconsequential. This has an impact on the level of funding paid by communities that have a significant amount of high value land (e.g., lake property) of which may or may not have any improvements on it.

The current funding formula used by the Dousman Fire District contains the following weighted components: call volume (50%), population (15%), and equalized value of improvements (35%). Each component is based on a three year rolling average so as to even out any sharp increases or decreases in the data.

The consolidation committee has spent a significant amount of time reviewing various funding formula options. The committee had used the current Dousman Fire District formula as a foundation, but determined municipalities would have difficulty adopting the current formula. Members of the committee consulted external resources attempting to find the perfect formula. Finding the perfect formula is difficult as every consolidation and municipality has unique differences.

The committee worked together on three different funding formulas. The work of the committee was evaluated by the Dousman Fire Board and Municipal Leaders. After reviewing and consideration of the three formulas it was determined that the Dousman Fire District proposes Formula B as the new funding formula of the Western Lakes Fire District. The three formulas are described below and are shown in appendices D through F.

- Formula A – this is the current formula used by the Dousman Fire District and is not recommended by the consolidation committee.
- Formula B – adds a fourth factor to the formula which is the land value of each municipality. The formula contains the following weighted components: call volume (50%), population (15%), equalized value of improvements (20%), and land value (15%).
- Formula C – adds a fourth factor as well, but is a fixed cost for each municipality. This fixed factor was created using the current tax levy for each municipality and was used to create a formula that fit the current levy prior to consolidation. The formula contains the following weighted components: call volume (50%), population (15%), equalized value of improvements (35%), and a fixed \$50,000 contribution from each municipality.

Appendices D through F show what the cost would be for the Dousman Fire District and City of Oconomowoc. The per capita costs will never be exact as each municipality has different variables that determine the costs. The consolidated fire district budget is based on a \$1,720,748 tax levy. Call volume data was obtained from the Dousman Fire District and Oconomowoc Fire Departments records management software. Population data was obtained from the Wisconsin Department of Administration. The equalized value of improvements data was obtained from the Wisconsin Department of Revenue and land value data was also obtained from the Wisconsin Department of Revenue.

The municipal leaders that govern the Dousman Fire District have proposed Formula B as the funding formula for a consolidated District. After reviewing and discussing Formulas A, B, and C, the decision to proposed Formula B came after reviewing all three formulas. They recognized the increase to the City of Oconomowoc under formula A was significant and would be difficult to support. The municipal leaders have already increased the Dousman Fire District levy by \$236,000 to increase the level of care provided to paramedic and maintain minimum staffing throughout the District. The municipal leaders discussed the fixed cost that was proposed in Formula C, however the per capita costs were not comparable. The municipal leaders feel that Formula B is the best formula for consideration.

One important note: Debt service, including the Dousman Fire District's station renovation bond payment, is removed from the tax levy used to calculate funding. This is because in a consolidated fire district, each municipality making up the original fire districts would be responsible for their previous district's debt owed at the time of merging. In order to develop the budget of a consolidated fire district, debt service needed to be removed. It should be kept in mind, however, that these liabilities will need to be budgeted for among the original district's municipalities. In the future, any debt incurred by a consolidated fire district would become the responsibility of all the municipalities involved in the new district, and thus the costs spread across a greater area.

As shown in Appendices D through F, regardless of the formula the cost to the municipalities involved, have an increase in costs when compared with their respective 2016 tax levy. Oconomowoc contributes a significant amount more when compared to their 2016 tax levy. The reason for this disparity is because the Oconomowoc Fire Department doesn't currently provide paramedic level service to the City and the City doesn't currently staff Station #2 24/7/365. The Western Lakes Fire District would staff all

stations 24/7/365 with legal crews. The increase for Oconomowoc is also directly related to the service level improvements that would be seen through a consolidated district. In addition more than half of the Districts overall call volume occurs within the City of Oconomowoc.

We are very sensitive to the fact that this increase for the City of Oconomowoc comes at a particularly bad time, given the cuts in shared revenue at the State level, and the stagnant economic climate.

The second aspect of Objective #8 is consideration of the facilities out of which the Western Lakes Fire District would operate. The Dousman Fire District currently operates out of three stations and the Oconomowoc Fire Department operates out of two stations. Jointly, there are four stations that the two departments operate out of, since the Pabst Farms Station is currently shared between the two departments.

The Pabst Farms fire station was completed in 2010 and is shared with the City of Oconomowoc Fire Department. The Village of Summit has a 50 year lease on the facility with the City of Oconomowoc that allows the Village to sublet approximately half of the station (based on square feet) to the Summit Fire District, or its successor. This station will require an addition in the future. This addition would be required regardless of consolidation as there is limited dorm space and office space. The station requires additional dormitories and offices in order to meet the needs of the independent or consolidated departments. This is the central station and would become headquarters of the consolidated district.

The Dousman Fire Station was built in 1993 and renovated in 2010, and the bond which paid for that renovation exists until 2019. The municipalities that make up the Dousman Fire District are responsible for paying the bond, and as stated in the addendum to the by-laws, distribution of the bond's payment is determined by whatever funding formula is currently in place. Thus, if the funding formula changes, so too does the amount paid by each municipality for the bond. The renovation of the Dousman Fire District's Fire Station added much needed office space, a day room, and dorm rooms, as well as other improvements to support the addition of more full-time and regular part-time staff. Additionally, the dorm rooms allow personnel to spend the night when they are on duty, and thus allowing firefighters and EMTs who live outside the fire district's boundaries to be employed. In 2016, the garage doors and lighting was replaced at the station, and in 2017 a new roof, slip resistant flooring, and renovations for intern dorms are proposed.

The Sullivan Station is leased and houses an ambulance and the rehab unit. This station is maintained as part of the Sullivan EMS contract. The Dousman Fire District originally signed a four year lease which correlates with the Sullivan EMS contract. In 2016, additional dorms were added for the intern program.

Oconomowoc Fire Station 1 was built in 1966 and dedicated in 1967. It is located at what was the geographic center of the City's response area at that time. It is still and will continue to be a statistically and operationally valid location for a Fire Station, While 50 years old, the building has been properly maintained to preserve its structure and functionality. It also has been remodeled to service the changing and growing needs of the fire department. Major elements of the building have been maintained or replaced. The flat, "built-up" portion of the roof is approximately 12 years old. With proper maintenance, an additional 8 years of service are anticipated. The wooden shakes on the angled mansard portion of the roof were replaced with sculptured, 25 year warranty fiberglass shingles. The doors and windows of the station have been replaced within the last 10 years. The apparatus bay, EMS supply room and hose tower floors were all replaced with a seamless, non-slip floor coating system. The

station has limited dormitories, which would need to be enhanced in order to accommodate the addition of interns or additional staff to meet the needs of the community.

The final aspect of Objective #8 is consideration of the Dousman Fire District's and Oconomowoc Fire Department's assets. Typically when municipalities come together to share services, consideration must be given to the assets that are brought together. Currently, the Dousman Fire District owns the apparatus and the Dousman Station. The City of Oconomowoc owns its apparatus and two stations.

As a result of the consolidation all apparatus would become property of the Western Lakes Fire District which is jointly owned and governed by the City of Oconomowoc, Village of Summit, Town of Ottawa, and Village of Dousman. The consolidated district already owns the Dousman station, but the Oconomowoc stations would become property of the district after the first five years.

Any assets purchased after a consolidation would be owned by the new fire district, with the participating municipalities as tenants in common, and each municipality's share of ownership would be equal to the percentage paid. The consolidated fire district would be responsible for the repair, maintenance, insurance, and upkeep of all assets, regardless of ownership.

Objective #9

- **Determine the time commitment owed to the consolidation. For example, the current Dousman Fire District agreement states that there is a seven (7) year minimum before any withdrawal from the consolidated district.**

Currently, the Dousman Fire District agreement states that during the first (5) five years of consolidation municipalities will remain consolidated, but after the initial consolidation a municipality may give a (2) two year notice indicating their desire to withdraw from the consolidated district. We feel that consolidation is best demonstrated with time. Giving the district and municipalities time to work together and address any issues which may occur will allow things to work out in a positive manner. We would propose that the minimum amount of time a municipality must commit to a consolidated district would be five years. After five years if there is a desire to withdraw from the consolidated district, a two year notice would be given. During that two year period, the process of divesting the withdrawing municipality's ownership in the consolidated fire district would begin. When complete, the municipality would be officially withdrawn from the district.

Regardless of the minimum commitment time, we feel that a consolidation of the Dousman Fire District and the Oconomowoc Fire Department has a high probability of success. This is largely due in part to our very similar organizational cultures. Both fire departments are primarily made up of paid-on-call personnel from the communities in which they serve, and each one feels a strong sense of ownership in their respective departments. A consolidation of our two fire districts would not look at reducing or minimizing the involvement of its paid-on-call personnel, but to the contrary, would depend on them to deliver exceptional customer service for a fraction of the cost of a full-time fire department. A joint district will augment the paid-on-call staff with the number of full-time staff necessary to provide the oversight and leadership necessary to maintain the high quality services that cannot be delivered utilizing only paid-on-call personnel.

Objective #10

- **Identify a primary dispatch center for the District and evaluate the operations of utilizing multiple dispatch centers.**

The Dousman Fire District's primary dispatch center is Waukesha County Communications Center (WCC), however, the District is also dispatched by the Jefferson County Sheriff's Department for incidents that occur in Jefferson County. This decreases notification times, and allows for an immediate response as the center that receives the 911 call is able to immediately dispatch crews. The District utilizes the Waukesha County's 800 MHz trunked radio system and VHF paging system and the Jefferson County VHF radio system and VHF paging system.

The Oconomowoc Fire Department's primary dispatch center is through the Oconomowoc Police Department. The Oconomowoc Communications Center (OCC) provides primary services to the Oconomowoc Police Department, Oconomowoc Fire Department, and the Town of Oconomowoc Police Department. The center is contracted to provide these services through 2018. In addition to contractual obligations, OCC also has a service agreement with the software provider. When the Oconomowoc Fire Department utilizes MABAS, the dispatching and coordination of the event is transferred to the Waukesha County Communications Center.

The Western Lakes Fire District will need to identify a primary dispatch center. Since Waukesha County Communications Center has the staff and equipment to provide these services, it is the recommendation of the Committee that WCC become the primary dispatch center for the District. Though WCC would be the primary dispatch center, the Western Lakes Fire District will continue to be paged by OCC when requests for service come via landline telephone or when requested by law enforcement. We understand that discussions will occur within the City of Oconomowoc regarding their independent dispatch center in the future, but now is not the time to make the decision.

Executive Summary

The Dousman Fire District member communities have prepared a proposal for the City of Oconomowoc Common Council to consider consolidating the two fire services into a new Western Lakes Fire District to be completed by January 1, 2018.

This proposal addresses several significant community concerns regarding fire and EMS services. First, following 20 months experience in coordinated Shared Services, the State of Wisconsin has determined that the communities must address this issue early in 2017 or lose their waiver for this program. Second, the communities all face the challenge of providing the high level of service expected by their residents and local businesses under the budget restrictions of annual levy limits. Third, all of us recognize the inefficiencies of duplicate capital purchases, competition for staff, and artificial service boundaries. Finally, the costs to the community for private ISO insurance rating costs as a result of the level of service provided.

The materials included in this packet identify the parts of any agreement:

1. The goal to complete integration and consolidation during 2017
2. The reorganization of the Fire Board to represent four communities
3. A proposed funding formula
4. Consideration of capital purchases already made and funded through borrowing

The proposal identifies cost savings through smaller future operating increases than would occur with two separate departments. Long-term savings result for all four communities in both operational and capital expenses. In capital expenditures alone the plan could provide savings up to \$2.3 million over the next 20 years. Other cost savings arise from removal of competition on salary levels, staffing, and hiring procedures.

This proposal does not solve all the fire service or EMS issues facing our communities. It does not address the long-standing issue of location or timing of a third, north-side Oconomowoc fire station. The recommendation does not address the future of the Oconomowoc Communications Center or Waukesha County Communications dispatch services. It does not address existing or future contracts with adjacent municipalities. These issues are left for the new organization to resolve.

Using the successful pattern from three previous consolidation actions, and identifying the objectives of any organizational change, the Dousman Fire District member communities agree that a consolidated department is in the best economic and service delivery interest of all four communities.

Appendices A-M are included in the proposal to provide support information on topics ranging from current (2016) and proposed (2017) budgets to the possible governance structure.

This document has been prepared by staff of the City of Oconomowoc, Dousman Fire District, and Village of Summit. Dousman Fire Board Chairman Morris participated in nearly all the planning sessions leading up to this presentation.

The staff and Dousman Fire Board support the overall concept of the consolidation between Dousman Fire District and Oconomowoc Fire Department. We thank you for reviewing this information and remain available to answer any questions that arise during your deliberations.

Appendix A – Copy of Objectives in Considering a Consolidated District

The objectives of a Consolidated Western Lakes Fire District include the following:

- 1) The consolidated district will maintain or improve service levels for all ownership communities. Service levels will be identified district-wide, not based on individual stations.
- 2) Identify how the consolidated district will improve ISO ratings throughout the district to benefit homeowner and commercial insurance premiums.
- 3) Create a coverage map; demonstrate that average response times for service will be equal to or better than current response times.
- 4) Identify the operational benefits of a jointly owned and operated district to each municipality compared to providing equal services as an independent.
- 5) Identify the cost benefits of a jointly owned and operated district to each municipality compared to providing equal services as an independent.
- 6) A consolidated district would have fractional ownership and representation into the governance of the entity.
- 7) Maximize the costs savings.
- 8) Use the existing Dousman Fire District funding formula as a pattern for the consolidated fire district, including existing equipment and permanent facilities from each entity.
 - A consolidated district should give credit for existing equipment initially; when new equipment is purchased by the consolidated district, the new district will own the equipment.
 - A consolidated district should give credit for existing permanent facilities initially. The new district will own any new equipment or facilities purchased or constructed after January 1, 2018.
 - A consolidated district will not penalize municipalities for past debt liabilities.
- 9) Determine the time commitment owed to the consolidation. For example, the current Dousman Fire District agreement states that there is a seven (7) year minimum before any withdrawal from the consolidated district.
- 10) Identify a primary dispatch center for the District and evaluate the operations of utilizing multiple dispatch centers.

Appendix B – Consolidation Fire Stations, Apparatus, and Staffing

APPARATUS AND STATION LOCATIONS:

<u>Administration</u>	<u>Oconomowoc</u>	<u>Pabst Farms</u>	<u>Dousman</u>	<u>Sullivan</u>
	<u>S. Concord</u>	<u>Ocon Pkwy</u>	<u>S. Main</u>	<u>Front St</u>
<i>Head Quarters</i>				

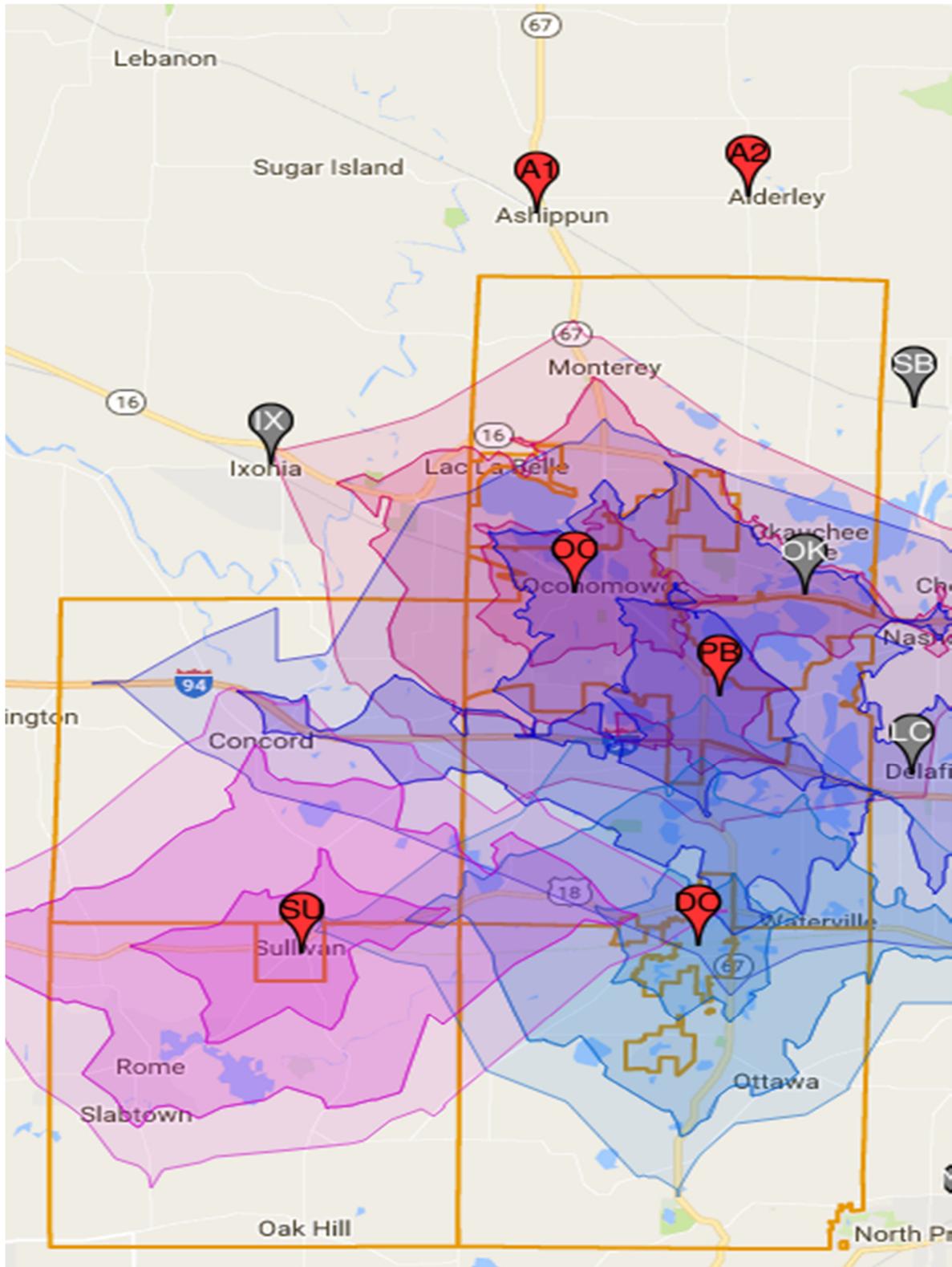
Utility - 01	Rescue Engine 1	Rescue Engine 2	Rescue Engine 3	Ambulance 4
Utility - 02	Platform 1	SST-HR Squad/Dive 2	Ladder 3	Utility - Rehab 4
Utility - Duty Chief	Tender 1	Tender 2	Tender 3	Rehab Trailer 4
Utility - Med	QRHP Brush 1	QRHP Brush 2	QRHP Brush 3	ATV - EMS 4
Utility - Med	ATV - Fire 1	Boat	ATV - Fire 2	
Utility - Med	Ambulance 1	Ambulance 2	Ambulance 3	
	Rsrv. Ambulance 11	Rsrv. Ambulance 12	Rsrv. Ambulance 13	
		Command - 10	ATF	

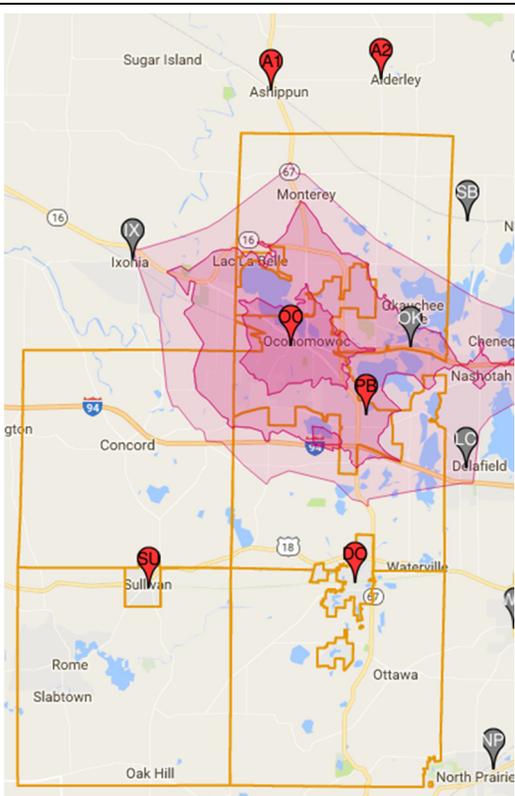
PERSONNEL AND STAFFING LOCATION:

		<u>Administration</u>		
	<u>#3</u>	<u>#1</u>	<u>#2</u>	<u>#4</u>
<u>Administration</u>	<u>Oconomowoc</u>	<u>Pabst Farms</u>	<u>Dousman</u>	<u>Sullivan</u>
	S. Concord	Ocon Pkwy	S. Main	Front St
	8 Beds	8 Beds	7 Beds	4 Beds

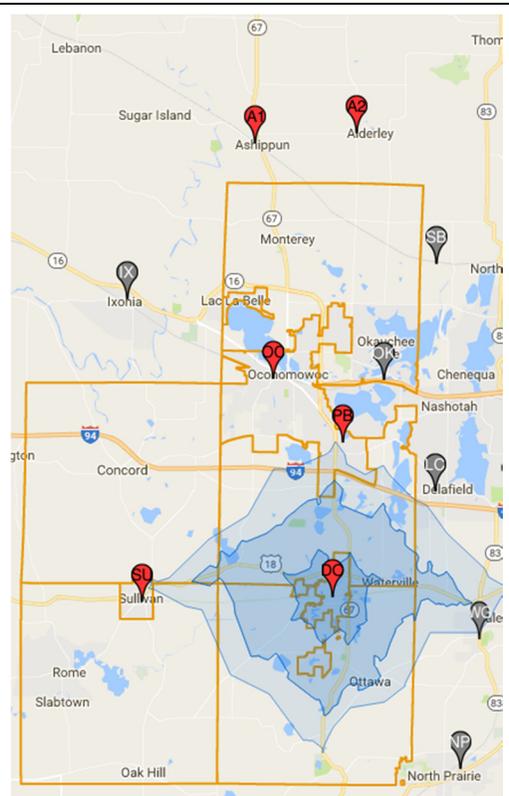
FT Chief	FT Capt. FF/Med	FT FF/Med	POP FF/Med	POP EMT
FT Asst. Chief	POP FF/EMT	POP FF/EMT	POP FF/EMT	Intern
POC Asst. Chief	POP EMT	POP EMT	POP EMT	
FT Dept. Chief x3	Intern	Intern	Intern	
POC Batt. Chief x5		Duty Chief		
MINIMUM STAFFING	(4)	(4)	(4)	(2)

Appendix C - Response Time Map

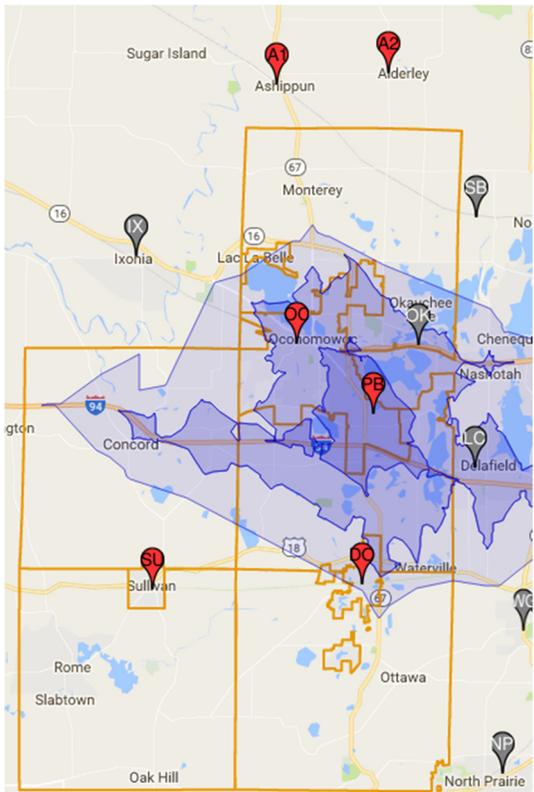




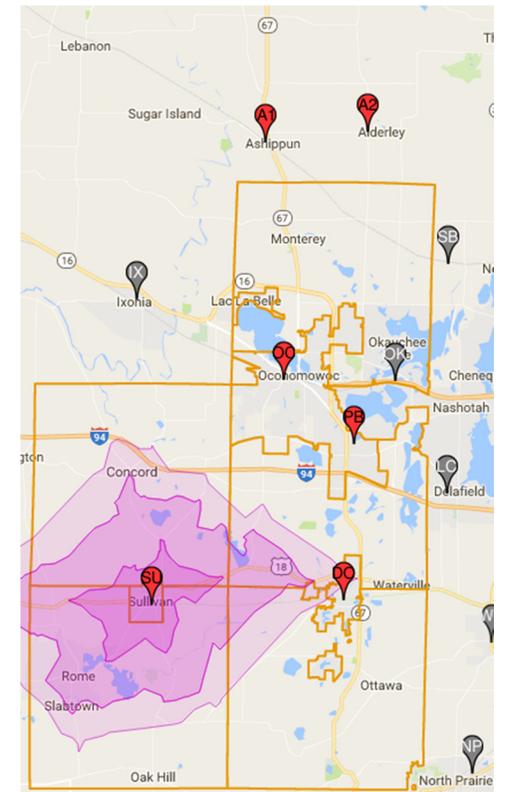
Oconomowoc Station
212 South Concord, Oconomowoc



Dousman Station
107 S. Main Street, Dousman



Pabst Farms Station
1400 Oconomowoc Parkway, Oconomowoc



Sullivan Station
912 Front Street, Sullivan

Appendix D – Current Dousman Fire District Formula w/Oconomowoc

Total Call Volume	2,148
Total Population	27,306
Total EVI	\$ 2,299,002,300

Operating

Operating	\$ 1,720,748
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	Call Volume 50%	Population 15%	EVI 35%	2017 Operating
Oconomowoc	\$ 477,451	\$ 154,785	\$ 345,613	\$ 977,849
Dousman Fire Dist.	\$ 382,923	\$ 103,327	\$ 256,649	\$ 742,899

Total FD Levy

Total FD Levy	\$ 1,720,748
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	2017 Total	2016 Total	Incr/(Decr)	Percent Incr/-Decr	Percent Share	Cost Per Capita	State Avg Per Capita
Oconomowoc	\$ 977,849	\$ 805,307	\$ 172,542	21.4%	56.83%	\$59	\$141
Dousman Fire Dist.	\$ 742,899	\$ 750,000	\$ (7,101)	-0.9%	43.17%	\$67	\$141

1. Total Call Volume, Population, and EVI are based on a three-year rolling average
3. Mid-Range Cost Per Capita from Wisconsin Taxpayers Alliance MunicipalFacts14 (Net Fire-Ambulance Per Capita)

Appendix E – Proposed Operational Funding Formula B

Total Call Volume	2,148
Total Population	27,306
Total IV	\$ 2,299,002,300
Total LV	\$ 1,211,542,340

Operating

Operating	\$ 1,720,748
------------------	--------------

	Call Volume 50%	Population 15%	Improvements 20%	Land 15%	2017 Operating
Oconomowoc	\$ 477,451	\$ 154,785	\$ 197,493	\$ 119,698	\$ 949,427
Dousman Fire Dist.	\$ 382,923	\$ 103,327	\$ 146,657	\$ 138,414	\$ 771,321

Total FD Levy

Total FD Levy	\$ 1,720,748
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	2017 Total	2016 Total	Incr/(Decr)	Percent Incr/-Decr	Percent Share	Cost Per Capita	State Avg Per Capita
Oconomowoc	\$ 949,427	\$ 805,307	\$ 144,120	17.9%	55.18%	\$57	\$141
Dousman Fire Dist.	\$ 771,321	\$ 750,000	\$ 21,321	2.8%	44.82%	\$69	\$141

1. Total Call Volume, Population, EVI, and Land Value are based on a three-year rolling average
3. Mid-Range Cost Per Capita from Wisconsin Taxpayers Alliance MunicipalFacts15 (Net Fire-Ambulance Per Capita)

Appendix F – Reviewed Funding Formula C

Total Call Volume	2,148
Total Population	27,306
Total EVI	\$ 2,299,002,300

Operating

Operating	\$ 1,720,748	\$ 1,520,748
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	Call Volume 50%	Population 15%	EVI 35%	Fixed 50,000	2017 Operating
Oconomowoc	\$ 421,958	\$ 136,794	\$ 305,443	\$ 50,000	\$ 914,195
Dousman Fire Dist.	\$ 305,036	\$ 82,311	\$ 204,447	\$ 150,000	\$ 806,553

Total FD Levy

Total FD Levy	\$ 1,720,748
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	2017 Total	2017 NO Consolidation	2016 Total	Incr/(Decr)	Percent Incr/-Decr	Percent Share	Cost Per Capita	State Avg Per Capita
Oconomowoc	\$ 914,195	\$ 820,748	\$ 805,370	\$ 108,825	13.5%	53.13%	\$56	\$141
Dousman Fire Dist.	\$ 806,553	\$ 900,000	\$ 750,000	\$ 56,553	7.5%	46.87%	\$69	\$141

- Total Call Volume, Population, and EVI are based on a three-year rolling average
-
- Mid-Range Cost Per Capita from Wisconsin Taxpayers Alliance MunicipalFacts14 (Net Fire-Ambulance Per Capita)

Appendix G – Per Capita Operational Cost Comparisons

Fire Department	Population	Volume	FT Emp	15' Net Capita	16' Net
Two Rivers	11,658	1,649		\$181.00	\$183.00
Pewaukee	13,654	1,950	19 (22)	\$141.00	\$147.00
Kaukauna	15,715	1,779		\$134.00	\$138.00
McFarland	7,876	816	5	\$113.00	\$115.00
Lake Country	9,813	1,450	9	\$112.00	\$117.00
Monona	7,532	1,325	7	\$110.00	\$111.00
Sussex	10,623	850	2	\$98.00	\$100.00
Germantown	19,811	1,446	4 (16)	\$92.00	\$95.00
Oconomowoc	16,464 (19,558)	1,600	6 (6.5)	\$46.00	\$48.00
Dousman	10,924 (14,653)	1,700	4	\$53.00	\$68.00
Western Lakes	27,306 (34,211)	3,300	10	n/a	\$64.00
Average	12,769	1,416	7	\$108.00	\$112.00

Appendix H - Capital Improvement Funding Formula

Total Call Volume	2,148
Total Population	27,306
Total IV	\$ 2,299,002,300
Total LV	\$ 1,211,542,340

CAPITAL

Debt Service	\$ 1,445,000	\$ 968,148
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	Call Volume 50%	Population 15%	Improvements 20%	Land 15%	Fixed % Cost 33%	2017 Capital
Oconomowoc	\$ 268,630	\$ 87,087	\$ 111,116	\$ 67,346	\$ 119,213	\$ 653,391
Dousman Fire District	\$ 338,416	\$ 91,318	\$ 129,611	\$ 122,326	\$ 357,639	\$ 797,086

**Total FD Capital
Levy**

Total FD Capital Levy	\$ 1,445,000
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	2017 Capital Total	2017 NO Consolidation	Incr/(Decr)	Percent Incr/-Decr	Percent Share	
Oconomowoc	\$ 653,391	\$ 720,600	\$ (67,209)	-9.3%	45.22%	
Dousman Fire Dist.	\$ 791,609	\$ 875,000	\$ (83,391)	-9.5%	54.78%	

Appendix I - 20 Year Capital Improvement Funding Formula

Total Call Volume	2,148
Total Population	27,306
Total IV	\$ 2,299,002,300
Total LV	\$ 1,211,542,340

CAPITAL

Debt Service	\$ 14,665,000	\$ 9,825,547
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	Call Volume 50%	Population 15%	Improvements 20%	Land 15%	Fixed % Cost 33%	2017 Capital
Oconomowoc	\$ 2,726,269	\$ 883,828	\$ 1,127,693	\$ 683,482	\$ 1,209,863	\$ 6,631,136
Dousman Fire District	\$ 2,186,504	\$ 590,004	\$ 837,416	\$ 790,350	\$ 3,629,590	\$ 8,033,864

**Total FD Capital
Levy**

Total FD Capital Levy	\$ 14,665,000
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	20 Year Total	20 Year NO Consolidation	Incr/(Decr)	Percent Incr/-Decr	Percent Share
Oconomowoc	\$ 6,631,136	\$ 7,915,000	\$ (1,283,864)	-16.2%	45.22%
Dousman Fire Dist.	\$ 8,033,864	\$ 9,645,000	\$ (1,611,136)	-16.7%	54.78%

Appendix J - 2017 Capital Improvement Plan

	2017 CIP	
Engine 4762	\$ 700,000	only required to purchase one engine in 2017
E-Extrication (1 set per station)	\$ 100,000	required due to age of equipment and interoperability
Dousman Station	\$ 150,000	
<i>Flooring, Dorms, Roof, Parking</i>		
Ocon Station	\$ 170,000	
<i>Dorms, Parking, Exterior, Interior</i>		
MDC's / IT	\$ 75,000	required for interoperability
<i>MDC's for frontline vehicles</i>		
<i>Server for additional stations</i>		
Consolidation	\$ 150,000	
<i>Uniforms - badges, clothing</i>		\$ 50,000
<i>Signage, Trucks, Identification</i>		\$ 60,000
<i>Knox Boxes</i>		\$ 30,000
<i>Contingency</i>		\$ 10,000
Defib/Monitor Refresh	\$ 100,000	
TOTAL 2017 JOINT CIP	\$ 1,445,000	

Appendix K – Six Year Operational Formula & Budget Projections

OPERATIONAL BUDGET

PHASE 1 MUNICIPALITY	2017 PERCENT ALLOCATION	2017 BUDGET \$1,720,748	2018 PERCENT ALLOCATION	2018 BUDGET \$1,789,578 (4%)	2019 PERCENT ALLOCATION	2019 BUDGET \$1,861,161 (4%)
DOUSMAN	9.67%	\$ 166,403	9.67%	\$ 173,059	9.67%	\$ 179,981
OTTAWA	11.77%	\$ 202,596	11.77%	\$ 210,700	11.77%	\$ 219,128
SUMMIT	23.38%	\$ 402,321	23.38%	\$ 418,414	23.38%	\$ 435,151
OCONOMOWO C	55.18%	\$ 949,427	55.18%	\$ 987,405	55.18%	\$ 1,026,901

PHASE 2 MUNICIPALITY	2019 PERCENTAGE ALLOCATION	2020 PERCENT ALLOCATION	2020 BUDGET \$1,954,219 (5%)	2021 PERCENT ALLOCATION	2021 BUDGET \$2,052,135 (5%)	2022 PERCENT ALLOCATION	2022 BUDGET \$2,154,527 (5%)
DOUSMAN	9.67%	9.79%	\$ 191,318	9.91%	\$ 203,367	10.03%	\$ 216,000
OTTAWA	11.77%	11.70%	\$ 228,643	11.63%	\$ 238,663	11.57%	\$ 249,301
SUMMIT	23.38%	23.23%	\$ 453,965	23.08%	\$ 473,633	22.92%	\$ 493,878
OCONOMOWO C	55.18%	55.28%	\$ 1,080,292	55.38%	\$ 1,136,472	55.48%	\$ 1,195,348

Appendix L – Six Year Capital Formula & Budget Projections

CAPITAL BUDGET

PHASE 1 MUNICIPALITY	2017 PERCENT ALLOCATION	2017 BUDGET \$1,455,000	2018 PERCENT ALLOCATION	2018 BUDGET \$875,000	2019 PERCENT ALLOCATION	2019 BUDGET \$1,170,000
DOUSMAN	12.17%	\$ 177,135	12.17%	\$ 106,488	12.17%	\$ 142,389
OTTAWA	14.05%	\$ 204,439	14.05%	\$ 122,937	14.05%	\$ 164,385
SUMMIT	28.56%	\$ 415,513	28.56%	\$ 249,900	28.56%	\$ 334,152
OCONOMOWOC	45.22%	\$ 657,914	45.22%	\$ 395,675	45.22%	\$ 529,074
DOUSMAN DIST.	54.78%	\$ 797,086	54.78%	\$ 479,325	54.78%	\$ 640,926

PHASE 2 MUNICIPALITY	2020 PERCENT ALLOCATION	2020 BUDGET \$850,000	2021 PERCENT ALLOCATION	2021 BUDGET \$965,000	2022 PERCENT ALLOCATION	2022 BUDGET \$1,575,000
DOUSMAN	12.17%	\$ 103,445	12.17%	\$ 117,441	12.17%	\$ 191,678
OTTAWA	14.05%	\$ 119,425	14.05%	\$ 135,582	14.05%	\$ 221,287
SUMMIT	28.56%	\$ 242,760	28.56%	\$ 275,604	28.56%	\$ 449,820
OCONOMOWOC	45.22%	\$ 384,370	45.22%	\$ 436,373	45.22%	\$ 712,215
DOUSMAN DIST.	54.78%	\$ 465,630	54.78%	\$ 528,627	54.78%	\$ 862,785

Appendix M – 2017 Operational Budget Comparison and Proposed Joint Budget

Dousman	Oconomowoc	Combined	Proposed	
2017	2017	2017	2017	%
BUDGET	Budget	Budget	BUDGET	CHANGE

REVENUES AND OTHER SOURCES

40100	Levy - Operating	900,000	845,748	1,745,748	1,720,748	-1%
40200	EMS Grants	0	11,900	11,900	0	-100%
40240	Purchase Card Rebate	650	2,350	3,000	3,000	0%
40300	Fire Insurance Dues	51,500	71,250	122,750	122,750	0%
40400	Ambulance Transports	650,000	435,500	1,085,500	1,225,095	13%
40410	Ambulance/Fire Contract Revenue	116,525	223,000	339,525	339,525	0%
40470	Highway Billing	20,000	5,200	25,200	30,000	19%
41300	Interest Income	500	1,900	2,400	1,000	-58%
41400	Sale of Assets	5,100	0	5,100	0	-100%
41500	Miscellaneous Income (OFD-Sta2 Rent)	10,000	17,205	27,205	20,000	-26%
TOTAL REVENUES AND OTHER SOURCES		1,754,275	1,614,053	3,368,328	3,462,118	3%

EXPENDITURES

Fire Board Expenses

60039	Penalties and Interest	0	0	0	0	
60041	Bank Charges	420	0	420	420	0%
60043	Miscellaneous Expenses	0	0	0	0	

60044	Dues & Subscriptions	0	0	0	0	
60045	Copier Expenses	4,320	2,500	6,820	7,500	10%
	TOTAL	4,740	2,500	7,240	7,920	9%

Professional Fees

60130	Legal Fees	3,500	2,500	6,000	6,000	0%
60135	Payroll Processing Fees	8,112	0	8,112	13,910	71%
60136	Medical Direction	6,500	6,000	12,500	13,000	4%
60132	Accounting Assistance	13,650	1,725	15,375	22,500	46%
	TOTAL	31,762	10,225	41,987	55,410	32%

Insurance

60200	Insurance	67,280	63,535	130,815	141,137	8%
	TOTAL	67,280	63,535	130,815	141,137	8%

Collections and Billing

60265	Ambulance Billing Service	65,000	40,000	105,000	122,510	17%
	TOTAL	65,000	40,000	105,000	122,510	17%

Utilities

	(including all phone systems)					
60330	Station 1 Utilities (Pabst)	0	24,752	24,752	44,720	81%
60332	Station 2 Utilities (Dousman)	33,560	0	33,560	26,420	-21%

60334	Station 3 Utilities (Oconomowoc)	26,700	33,407	60,107	30,500	-49%
60336	Station 4 Utilities (Sullivan)	29,080	0	29,080	29,080	0%
TOTAL		89,340	33,407	122,747	86,000	-30%

Building and Grounds Maintenance

60340	Repair and Maintenance	7,020	9,600	16,620	17,330	4%
60350	Supplies and Expenses	3,750	4,000	7,750	7,500	-3%
60360	Snow Removal	2,500	0	2,500	7,500	200%
60390	New Equipment	2,000	2,550	4,550	5,000	10%
TOTAL		15,270	16,150	31,420	37,330	0%

FD Administration

60001	Clerical Wages (City Overhead and Fire Clerical)	7,430	50,021	57,451	31,576	-45%
60010	FICA/Medicare	568	13,304	13,872	2,416	-83%
61038	Unemployment Compensation	2,400	0	2,400	6,000	150%
61040	Office Supplies and Expenses	4,000	2,750	6,750	7,000	4%
61042	Postage	360	650	1,010	720	-29%
61044	Dues and Subscriptions	9,405	7,690	17,095	14,630	-14%
61050	Education and Training	20,000	24,920	44,920	37,100	-17%
61052	Conferences and Seminars	8,700	5,000	13,700	13,200	-4%
61053	Physicals, Recruitment and Member Retention	15,550	25,659	41,209	40,750	-1%
61055	Prevention and Education	3,000	3,000	6,000	6,000	0%
61070	Uniforms	7,100	8,500	15,600	13,000	-17%
61093	Information Technology	8,900	70,340	79,240	18,940	-76%
TOTAL		87,413	211,834	299,247	191,332	-36%

FD Operations

61120	Fuel	8,700	8,799	17,499	16,800	-4%
61130	Vehicle Repairs and Maintenance	20,125	41,670	61,795	46,800	-24%
61131	Replacement Equipment	3,250	29,074	32,324	7,000	-78%
61132	Pager and Radio Repairs	1,530	1,500	3,030	3,060	1%
61135	Communication Equipment	4,250	4,000	8,250	8,500	3%
61150	Turnout Gear	18,440	16,182	34,622	36,125	4%
61152	Hose and Expendables	5,750	5,000	10,750	10,500	-2%
61160	Equipment Maintenance	13,650	9,000	22,650	18,075	-20%
61170	Supplies and Expenses	7,750	10,000	17,750	15,000	-15%
TOTAL		83,445	125,225	208,670	161,860	-22%

Ambulance Operations

60266	Paramedic Intercepts	0	8,500	8,500	0	-100%
62110	Oxygen	3,250	3,700	6,950	6,000	-14%
62120	Fuel	14,400	5,650	20,050	24,000	20%
62130	Vehicle Repairs and Maintenance	11,000	15,520	26,520	20,000	-25%
62160	Equipment Maintenance	7,500	22,491	29,991	14,400	-52%
62170	Supplies and Expenses	8,500	8,000	16,500	17,000	3%
62185	EMS Disposables	18,000	12,000	30,000	36,000	20%
62186	EMS Non-Disposables	2,500	2,000	4,500	4,500	0%
62187	EMS Medications	8,500	4,000	12,500	15,000	20%
TOTAL		73,650	81,861	155,511	136,900	-12%

FD Compensation

61000	Paid-on-Call	613,308	287,489	900,797	1,087,176	21%
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61003	Internship	87,000	0	87,000	174,300	100%
61005	Part-Time	0	0	0	0	0%
61033	Retirement Benefit	25,000	14,193	39,193	50,000	28%
61010	FICA/Medicare	52,615	21,993	74,608	84,028	13%
TOTAL		777,923	323,675	1,101,598	1,395,504	27%

Full-Time Wages and Benefits

61030	Wages	299,690	406,603	706,293	735,036	4%
61031	Health Insurance	84,000	131,305	215,305	199,120	-8%
61032	Retirement Benefit	31,761	61,397	93,158	77,916	-16%
61033	Life Insurance Benefit	287	2,334	2,621	1,161	-56%
61035	FICA/Medicare	22,923	5,896	28,819	56,232	95%
TOTAL		438,661	607,535	1,046,196	1,069,465	2%

Contingency

65000	Contingency Fund	15,000	0	15,000	25,000	67%
TOTAL		15,000	0	15,000	25,000	67%

Waukesha County & Oconomowoc

63050	Dispatch/Trunked Radio System	3,250	25,770	29,020	28,750	-1%
TOTAL		3,250	44,400	29,020	28,750	-1%

Capital Outlays

61190	New Equipment	1,500	5,000	6,500	3,000	-54%
	TOTAL	1,500	5,000	6,500	3,000	-54%
	TOTAL EXPENDITURES	1,754,234	1,565,347	3,300,951	3,462,118	5%
	REVENUES OVER (UNDER) EXPENDITURES	41	48,706	67,377	0	

Appendix N – Dousman Fire District Current Debt Liabilities

Current debt liabilities of the Dousman Fire District will continue to be paid by the Village of Summit, Village of Dousman, and Town of Ottawa.

- 2010 Station # 1 Renovations – This is a bond through the Town of Ottawa. Renovations were made to the Dousman Station in 2010 with a maturity date of January 2019.
- 2015 Ambulance and Radio Expenses – This loan was taken out in 2015 for a new ambulance and radio equipment for the District. The current balance is \$254,283.20 with a maturity date of January 2020.
- 2016 Utility, Station, and Radios Expenses – This loan was taken out in 2016 for station improvements, utility vehicles, and radio equipment for the District. The current balance is \$271,084.00 with a maturity date of January 2021.

Appendix O – Transitional Provisions

- Fire Chief Appointment
- Apparatus Ownership, Maintenance, and Insurance
- Facility Ownership, Maintenance, and Insurance
- IT and Communication
 - Use of fiber connections to both Oconomowoc Stations
 - Ownership/use of current Oconomowoc Fire Department IT equipment (desktops, printers, equipment)
- Dispatching and Communication
- Contingency Fund
 - The Western Lakes Fire District will require a contingency fund to ensure cash flow of the District is balanced.
 - It is recommended by the auditors and accountants that the District maintains a reserve/contingency fund that is 15% of the current district. The joint operating budget of the Western Lakes Fire District is \$3.5million. Using this recommendation, the District should have \$525,000 in the contingency fund. We recognize this is a significant amount of funds, but in order to maintain services due to cash flow purposes it is important the district has these funds available.
 - Currently the Dousman Fire District has a contingency fund of \$100,000
 - A contribution of \$110,000 would be required by the City of Oconomowoc
 - This follows the amount invested by each municipality based on the funding formula
 - The joint contingency fund of \$210,000 will not be prevent 100% of potential cash flow concerns
 - A line item will be maintained in the operational budget for the contingency fund
 - A line of credit will be required. Current the Dousman Fire District has a \$100,000 line of credit. With the increased budget of the Western Lakes Fire District a \$200,000 line of credit will be required until the contingency fund is funded.

Appendix P – Apparatus Inventory Comparison and Consolidated

	OFD w/o Merger	DFD w/o Merger	Combined Equip	Joint Proposed	Savings	Savings
Engines	2	3	5	3	Engine x2	\$ 1,700,000
Platforms	1	0	1	1	Squad/Dive	\$ 400,000
Ladders	0	1	1	1	Utility	\$ 200,000
QRHP Brush	1	2	3	3	Boat	\$ 75,000
Tenders	1	2	3	3		(-) 2,375,000
SST-HR Squad/Dive	1	1	2	1		
ATV's - Fire	1	1	2	2		
ATV's EMS	0	1	1	1		
Ambulances	3	4	7	7		
Utilities	4	4	8	7		
Command	0	1	1	1		
Boat	2	0	2	1		

Consolidation of Dousman Fire District & Oconomowoc Fire Department



Establishing the WESTERN LAKES FIRE DISTRICT





**A SERVICE BASED
PROPOSAL INCREASING
THE QUALITY OF LIFE IN
EACH MUNICIPALITY IN A
COST EFFECTIVE MANNER**

Introduction of Committee Members

Dousman District

City of Oconomowoc

- Jack Riley,
 - Summit President
- Jack Nissen,
 - Dousman President
- Richard Arrowood,
 - Ottawa Chairman
- George Morris,
 - Fire Board President
- Henry Elling,
 - Summit Administrator
- Brad Bowen,
 - Fire Chief

- David Nold,
 - City Mayor
- Diane Gard,
 - City Administrator
- Sarah Kitsembel,
 - Finance Director
- David Beguhn,
 - Public Safety Director
- Ron Buerger,
 - Police Captain
- Glenn Leidel,
 - Deputy Fire Chief

Why Consolidate Now?



- **Shared Services Pilot Between Dousman/Oconomowoc**
 - Currently operating as a pilot program under DHS 110
 - Already received 1 extension, which ends December of 2017
 - Both agencies will see a decrease in service
- **Ongoing Fire & EMS Service Needs**
 - Decreased number of paid-on-call
 - All available ambulance calls
 - Cost avoidance/savings
- **Retirement of City Public Safety Director Beguhn**
 - Opportunity to transition administrative & operations of Fire/EMS
- **Retirement of City Administrator Gard**
 - Able to complete consolidation with current administration

Proposal Highlights



- **Create Consolidated Fire District January 1, 2017**
 - Improve or maintain level of service of current Shared Services
 - Reduce cost of increases for future budgets
 - Remove duplication of capital expenses
 - Reduced private costs of insurance by improving ISO ratings
- **New Intergovernmental Agreement (Ownership)**
 - Appointed Fire Board by Municipal Elected Officials
 - All Municipalities Approve Budget (City Council, Village Board, Town Board)
 - Funding Formulas (Operating, Debt Service, Contingency)
- **Coordinated Capital Purchases**
 - Consolidation reduces number of vehicles from 36 to 32
 - Consolidation saves \$2.3 million over 20 years



PROPOSAL OBJECTIVES

*Appendix A
Page 23*

- 1) The consolidated district will maintain or improve service levels for all ownership communities. Service levels will be identified district-wide, not based on individual stations.
- 2) Identify how the consolidated district will improve ISO ratings throughout the district to benefit homeowner and commercial insurance premiums.
- 3) Create a coverage map; demonstrate that average response times for service will be equal to or better than current response times.
- 4) Identify the operational benefits of a jointly owned and operated district to each municipality compared to providing equal services as an independent.
- 5) Identify the cost benefits of a jointly owned and operated district to each municipality compared to providing equal services as an independent.
- 6) A consolidated district would have fractional ownership and representation into the governance of the entity.
- 7) Maximize the costs savings.
- 8) Use the existing Dousman Fire District funding formula as a pattern for the consolidated fire district, including existing equipment and permanent facilities from each entity.
- 9) Determine the time commitment owed to the consolidation. For example, the current Dousman Fire District agreement states that there is a seven (7) year minimum before any withdrawal from the consolidated district.
- 10) Identify a primary dispatch center for the District and evaluate the operations of utilizing multiple dispatch centers.

Community Concerns to Address



- **SHARED SERVICES ENDS DECEMBER 2017**
- **SERVICE AND RESPONSE LEVEL EXPECTATIONS**
 - Paramedic services 24/7/365
 - Response times
 - Resource allocation
- **LEVY IMPACT FOR SERVICES**
 - Cost increase to maintain shared service levels after December 2017
 - Dousman \$400,000 annually above current budget
 - Oconomowoc \$935,000 annually above current budget
- **ISO RATING AND FIRE RESPONSE TIMES**
 - Cost of property insurance premiums

Western Lakes Fire District



PROUDLY OWNED & SERVING

CITY OF OCONOMOWOC

VILLAGE OF SUMMIT

VILLAGE OF DOUSMAN

TOWN OF OTTAWA

CONTRACTED TO SERVE

TOWN OF OCONOMOWOC

TOWN OF ASHIPUN

VILLAGE OF LAC LA BELLE

TOWN OF CONCORD

TOWN OF SULLIVAN

VILLAGE OF SULLIVAN

Improved Services Through Consolidation



- Paramedic Level EMS System
 - Three paramedics on staff 24/7/365
 - City goal for the past four years
- Decreased Response Times
- Allocation of Resources
 - Emergency Medical Service response
 - Fire suppression and response
- Multiple Stations Available Immediately
 - Four staffed stations within the District
- Dedicated Fire/EMS Administrative Team
 - Dedicated Fire Chief for Fire/EMS Operations
 - Depth of Fire/EMS Administrative & Command Structure

Appendix B *(page 24)*

Apparatus and Staffing



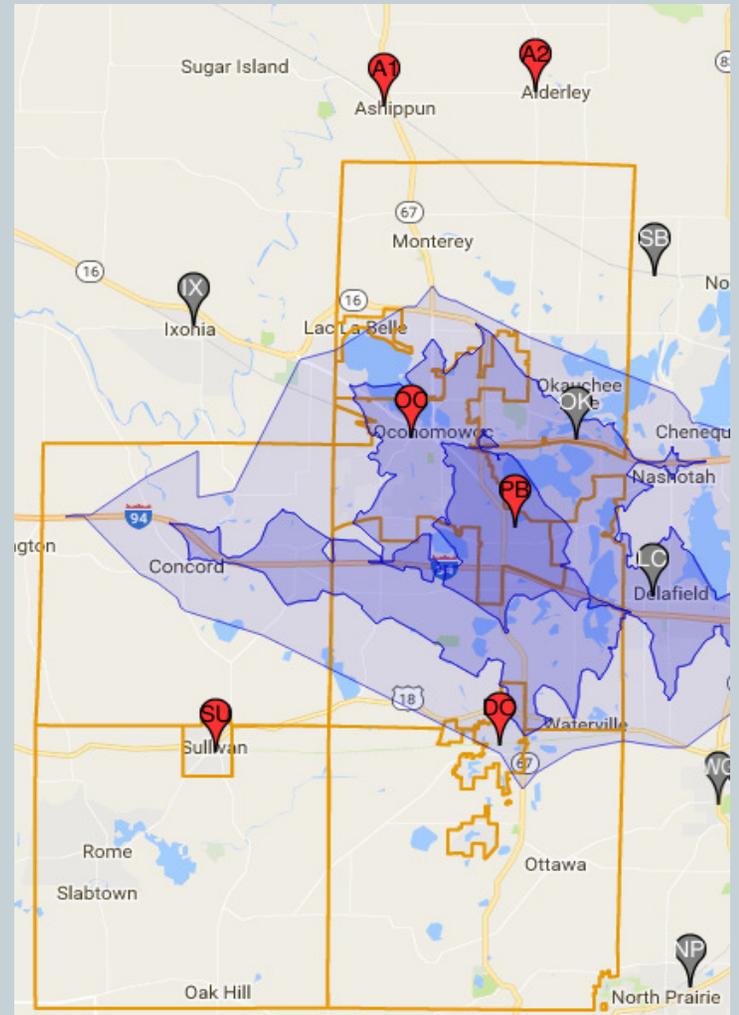
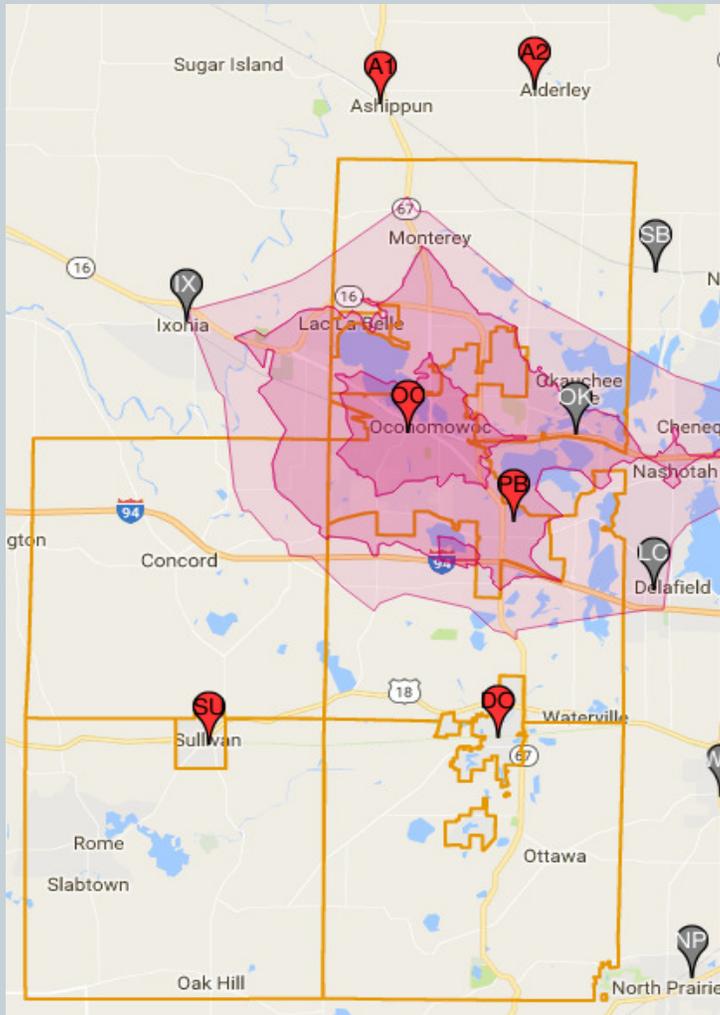
<u>Administration</u>	<u>Oconomowoc</u>	<u>Pabst Farms</u>	<u>Dousman</u>	<u>Sullivan</u>
	<u>S. Concord</u>	<u>Ocon Pkwy</u>	<u>S. Main</u>	<u>Front St</u>
		<u>Head Quarters</u>		
Utility - 01	Rescue Engine 1	Rescue Engine 2	Rescue Engine 3	Ambulance 4
Utility - 02	Platform 1	SST-HR Squad/Dive 2	Ladder 3	Utility - Rehab 4
Utility - Duty Chief	Tender 1	Tender 2	Tender 3	Rehab Trailer 4
Utility - Med	QRHP Brush 1	QRHP Brush 2	QRHP Brush 3	ATV - EMS 4
Utility - Med	ATV - Fire 1	Boat	ATV - Fire 2	
Utility - Med	Ambulance 1	Ambulance 2	Ambulance 3	
	Rsrv. Ambulance 11	Rsrv. Ambulance 12	Rsrv. Ambulance 13	
		Command - 10	ATF	

	<u>#3</u>	<u>Administration #1</u>	<u>#2</u>	<u>#4</u>
<u>Administration</u>	<u>Oconomowoc</u>	<u>Pabst Farms</u>	<u>Dousman</u>	<u>Sullivan</u>
	S. Concord	Ocon Pkwy	S. Main	Front St
	8 Beds	8 Beds	7 Beds	4 Beds
FT Chief	FT Capt. FF/Med	FT FF/Med	POP FF/Med	POP EMT
FT Asst. Chief	POP FF/EMT	POP FF/EMT	POP FF/EMT	Intern
POC Asst. Chief	POP EMT	POP EMT	POP EMT	
FT Dept. Chief x3	Intern	Intern	Intern	
POC Batt. Chief x5		Duty Chief		
MINIMUM STAFFING	(4)	(4)	(4)	(2)

Individual Station Response Areas

S. Concord Rd

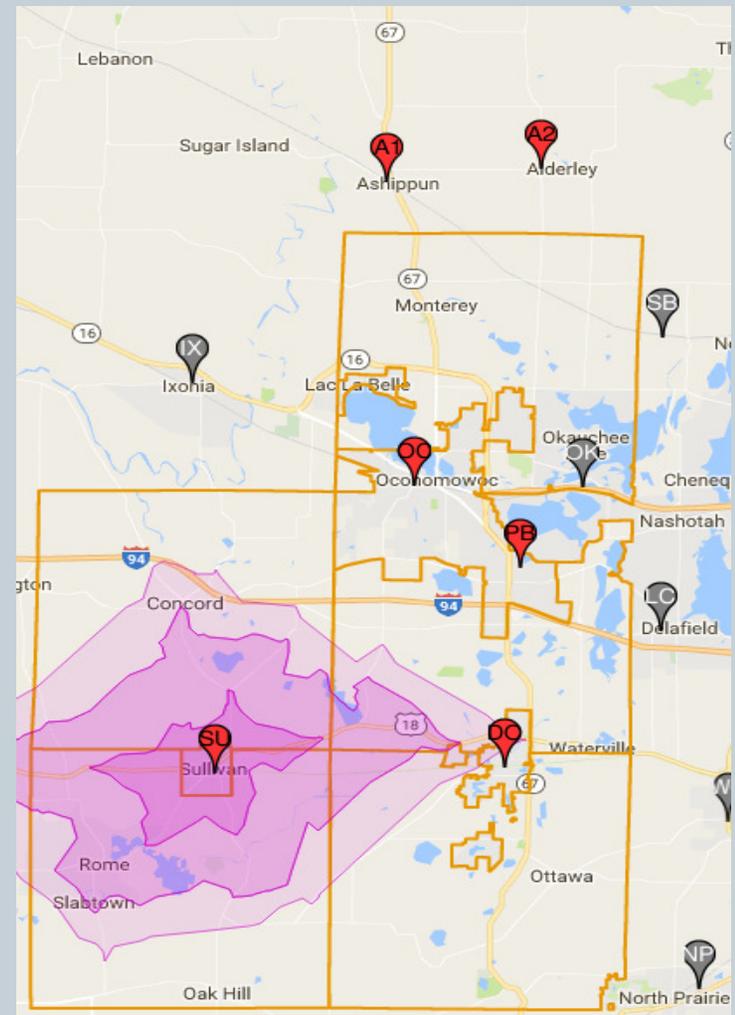
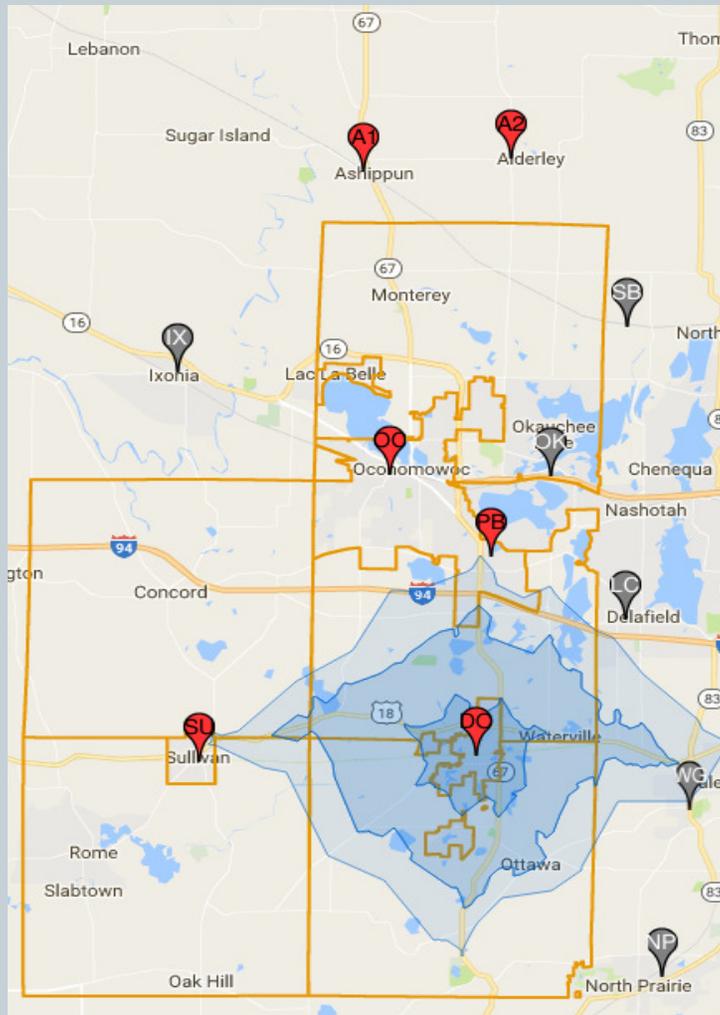
Pabst Farms Sta.



Individual Station Response Areas

Dousman Sta.

Sullivan Sta.

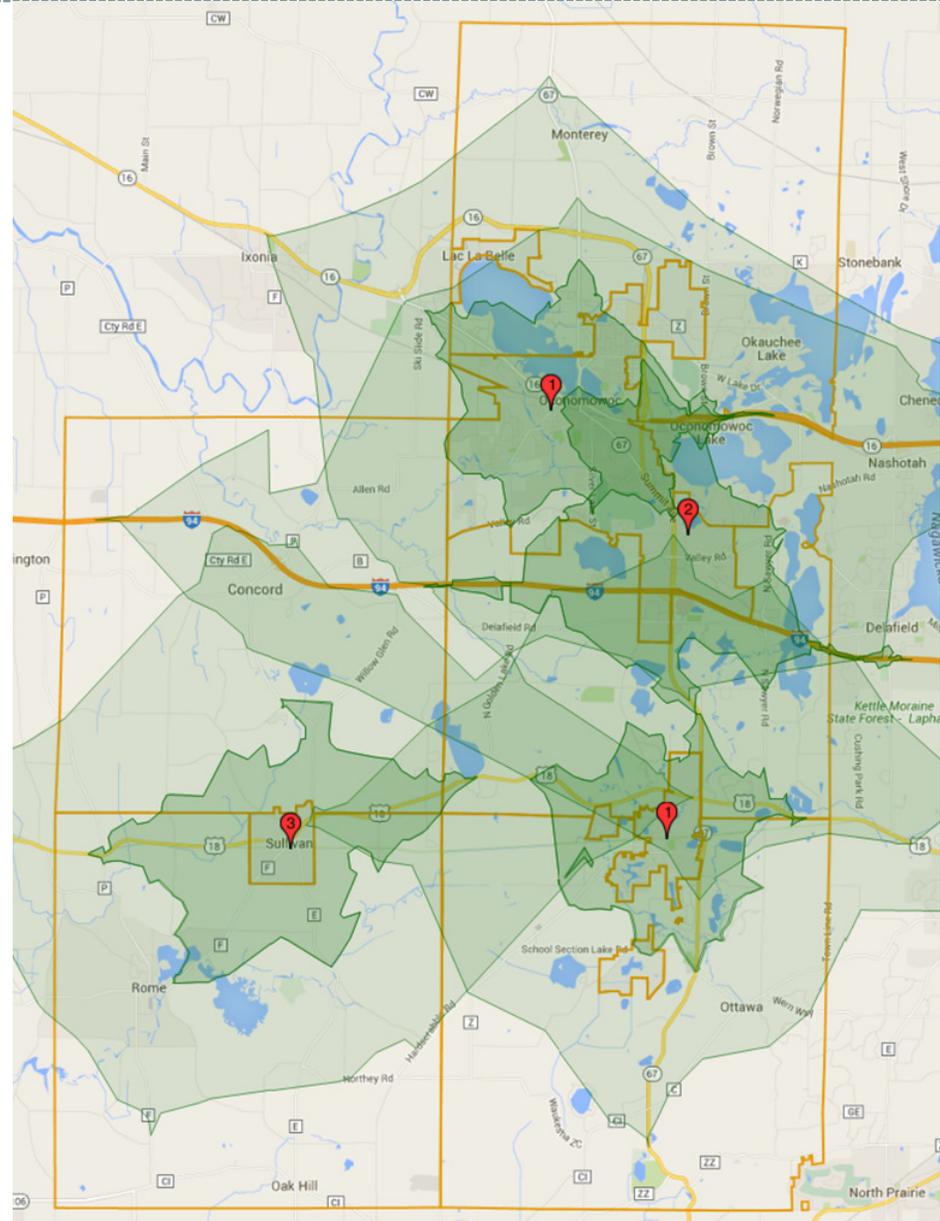




Overall District Response Area Map

5 Minute Response
&
10 minute response

<http://www.dousmanfd.org/dfd-ofd/>



Cost of Consolidation in 2017



CITY OF OCONOMOWOC

- **\$144,120 INCREASE IN 2017**
- **COMPARED TO \$935,000 FOR INDEPENDENT SERVICES**

DOUSMAN FIRE DISTRICT

- **\$21,321 INCREASE IN 2017**
- **COMPARED TO \$400,000 FOR INDEPENDENT SERVICES**
- **INVESTED \$236,000 OVER LAST TWO YEARS**
 - **increase to paramedic service and maintain minimum staffing**

CAPITAL IMPROVEMENT COSTS DECREASE \$2.3 MILLION

Future Items Not Included in Proposal



- **IMPACT FEE STUDY FOR NEW WESTERN LAKES FIRE DISTRICT**
- **ONGOING/FUTURE FIRE STATION NEEDS & IMPROVEMENTS**
- **LONG TERM DISPATCH AGREEMENTS**
- **SERVICE CONTRACTS**

Per Capita Costs



INCREASE IN OPERATING BUDGET FOR CITY

- **INCREASE FROM 2016 OF \$144,120**
- **INCREASE TO \$57.00 PER CAPITA FOR CITY**
- **A \$9 PER CAPITA INCREASE**

OVERALL DECREASE IN CAPITAL COSTS FOR CITY OF \$1.2 MILLION

Comparable Per Capita Costs

Appendix G (page 30)

Fire Department	Population	Volume	FT Emp	16' Net Capita	17' Net
Two Rivers	11,658	1,649		\$181.00	\$183.00
Pewaukee	13,654	1,950	19 (22)	\$141.00	\$147.00
Kaukauna	15,715	1,779		\$134.00	\$138.00
McFarland	7,876	816	5	\$113.00	\$115.00
Lake Country	9,813	1,450	9	\$112.00	\$117.00
Monona	7,532	1,325	7	\$110.00	\$111.00
Sussex	10,623	850	2	\$98.00	\$100.00
Germantown	19,811	1,446	4 (16)	\$92.00	\$95.00
Oconomowoc	16,464 (19,558)	1,600	6 (6.5)	\$46.00	\$48.00
Dousman	10,924 (14,653)	1,700	4	\$53.00	\$68.00
Western Lakes	27,306 (34,211)	3,300	10	n/a	\$64.00
Average	12,769	1,416	7	\$108.00	\$112.00

Questions?





Thank You For Your Time