

**ROCKVILLE/SPRINGDALE FIRE PROTECTION DISTRICT  
PUBLIC HEARING ON STANDBY FEE INCREASE**

**P.O. Box 159**

**Springdale, UT 84767**

**July 21, 2014**

**Rockville Community Center**

1. **CALL TO ORDER AND ROLL CALL** – Chair Michael Plyler called the meeting to order at 6:33 p.m. with the following members of the Rockville/Springdale Fire Protection District Board present: John Callahan, Luci Francis and Barry Rhodes. Elaine Harris recording.
2. **APPROVAL OF AGENDA** – John Callahan moved the agenda be approved. Barry Rhodes seconded the motion and a roll call vote indicated all those present voted in favor of the motion.
3. **PUBLIC HEARING TO RECEIVE COMMENTS FROM THE PUBLIC RELATIVE TO THE DISTRICT’S PROPOSED INCREASE IN THE STANDBY FEE** – Chair Plyler requested that each person limit their comments to two minutes and do not repeat an idea or position that someone has previously stated before.

The timeline was explained. Late in 2012 (November and December) a budget was created and approved for the fiscal year 2013. The District’s fiscal year is the same as the calendar year and began on January 1, 2013.

The Standby Fee is collected in late summer/early fall. The budget that was created at the end of 2012 carries the District entirely through 2013. Ten months into 2013 our then Chief, Ryan Ballard, resigned effective the end of October. For two months the District covered on-call shifts for fire that, basically, Chief Ballard covered at no charge to the members of the District. Now, the District had to pay for that coverage for November and December.

During this time (November and December of 2013) the Board is creating a budget for 2014 which, at that time, projecting into a full year of a chief who is not covering fire response on his own time at no charge to the District. We are already past the point when we can increase Standby Fees for the fiscal year 2014, because those fee notices went out in July of 2013. The District basically ran a year without an increase. On the copy of the budget provided under fiscal year 2014 under revenues, the last line – Fund Balance to be Appropriated (\$205,836) – is money that was borrowed from Peter to pay Paul for firefighter standby wages. That money came out of a fund that has been set aside to buy large equipment that may be needed in the future. \$205,000 was taken out of reserves to cover firefighter wages for a year and some other expenses.

Currently, the fire truck reserve contains \$74,205. Were we to not pass the Standby increase and utilize the fire truck reserve to pay wages for fiscal year 2015, we would basically be out of wages about four months into the year and we would also clearly have nothing for future purposes when it comes to purchasing equipment.

If there is a fire in a building and that building is in Rockville, Springdale, Hurricane, Kanab, St. George, Salt Lake City, and Las Vegas or wherever, to extinguish that fire in a building you need a basic amount of equipment and you need a basic amount of personnel to run that equipment. That basic cost to bring those things to the fire scene is the same in all those communities mentioned. The big difference being that here in Springdale and Rockville we have approximately 900 citizens paying for this. In any one of those other communities, many more people are throwing money into the pot to pay for the same thing. We have 900 people in our pot; Hurricane has 10 or 12,000; St. George has 75,000; Las Vegas has 2,000,000; Salt Lake City approximately 1,750,000.

This is the challenge the District faces as your Fire Board; trying to provide you with fire and emergency medical services protection at a basic minimum with a very small group of people contributing to the pot. Despite suspicions to the contrary, there is no financial impropriety in running the Fire Board. We get audited every year; there have been no audits that claim we have mismanaged our funds or embezzled funds, or anything of the sort.

In 2013, when the whole string of events started, the budget expenditures were approximately \$490,000. We are now proposing a budgeted expenses this year of \$696,987 for fiscal year 2015. That increase lies in the Standby Fee Schedule comparison. \$171,000 of the increase is for firefighter and chief pay; there is a \$63,000 differential because the intent is to hire a full-time fire chief. We are on our third fire chief in nine months and we are operating on the assumption that if we make it a full-time job and pay them a decent salary, they won't leave and we can consistently feel that we have that position covered. There is an increase in payroll taxes with the increase in wages. The current fire chief, who is a professional firefighter from Hurricane, has recommended that we adopt a drug testing policy for all EMS and firefighters. We are the only entity in Washington County that does not currently have that program. We cannot apply for any federal grants without a drug testing policy in place. The clerk's wages will go up because we will be engaging in quarterly billings for some accounts. Vehicle maintenance will go up because Ryan Ballard also served as our chief mechanic. He was charging us \$25/hr. for the work he did, some of which was done at no cost. To now farm out that work to a mechanic in the marketplace would be somewhere between \$60 to \$80/hr.

Those increases actually total, not counting the vehicle maintenance, \$209,737 and we are showing a difference of \$207,000 between 2015 and 2013. This is basically a wash. Some categories are actually less.

The most important number is the one for 2014 where we took \$205,000 out of our fire equipment reserve account to pay wages.

Referencing the new rate schedule, there were hours involved in creating the new schedule. In the old schedule, a person whose house had a taxable value of \$95,000 paid the same standby fee as a person whose house was valued at \$620,000. That fee was \$168/yr. When assessing the taxable value, the County Assessor goes basically on square footage and acreage. All the numbers on the handout provided are for homes on two acres or less. If a home is on more than two acres, there is an extra assessment for the extra acreage. In the new proposed schedule, there is a flat fee plus .0009 of the taxable value, not market value. There are very few houses on the tax roles that actually have a taxable value of over \$400,000.

This new schedule is more equitable in as much as a \$500,000 home which probably has many more square feet than a home that is valued at \$95,000 and poses a larger fire hazard. There is more property to protect in a 5,000 sq. ft. home than in a 1,000 sq. ft. home. So the person with the larger home needs to pay for the extra square feet.

The other category that was inequitable in the old system was bare ground. As the amount of bare ground you owned increased, the actual rate per acre that you were assessed went down. The flat rate for two acres or less was \$26 and but over 50 acres was \$105. So two acres was paying \$13/acre and 50 acres was paying \$2/acre. Now the proposed base rate is \$64 and then it is \$4/acre above that. The more acreage owned, the payment goes up proportionately.

In the commercial categories, the biggest increase by far will be motels and lodging establishments. The old schedule was created long before any of this Board was sitting here. The new rate schedule in one classification was broken out into two levels of number of rooms. If you have the number in the lower level you pay one rate; the higher number puts it into a higher category. From a firefighting point of view, if there are 100 rooms, there are 100 potential points of ignition. If you have 50 rooms, you have 50 points. The motels are seeing, under the proposed fee schedule, very dramatic increases. The base rate has gone from \$352 to \$1,100. If you have over 50 rooms, the fee is \$115/rm. instead of \$21/rm. Utilizing the LaQuinta as an example (132 rooms), at the new rate they should be able to pay for their standby fee in one night of 100% lodging at their high season rates. The rate for fewer rooms goes down based on the idea that, if you only have 40 rooms, you might not be able to pay the standby fee at \$115/rm., but below 50 it is \$100/rm. and it may take more than one night to raise the standby fee.

Bed and Breakfasts are less because they have less rooms. For them to pay \$115/rm. for four rooms is difficult.

In the case of home occupations, even in the new schedule, if someone were to rent a commercial office space anywhere in Springdale, the cost of the lease would be a lot more than what you pay for having or business in your home. Actually, under the new proposed fee, because of reworking the residential formula, the actual assessment for the home occupation, the difference between having a residence without a home occupation and with, you are paying less than the basic fee from the old schedule.

At the time of the informational hearing in June, the Board was proposing a salary increase for the firefighters up to \$10/hr. We have decreased that down to \$8.50/hr. and the difference that was saved was a little over \$19,000.

Barry Rhodes moved the Board go into the Public Hearing. John Callahan seconded the motion and a roll call vote indicated all those present voted in favor of the motion.

Louise Excell from Springdale thanked former Chief Ryan Ballard for an incredible service to the District. People cannot even know what he did to save money for the District before the pressures of not being able to deal with a family and professional life took its toll. She also thanked Bob Orton for a very long service on the Board; he took over the job as the Chairman and did a good job.

Louise stated that having served on the Board, she thanked all the present members/volunteers. It is an incredibly difficult job and the work the Board does for the District and the people of Rockville, Springdale and Zion National Park is an incredible gift.

Louise is in favor of the increases; she thinks they are shocking for almost everyone. Her rate, due to the fact that they have a home occupation, is going to almost triple. It is worth it to them to have 24/7 service for ambulance and fire. It is worth it in the long run to know that we have that coverage. They are going to look at it in the terms of what they are going to pay every month and they think it is something they can and will do gladly for the service provided.

The Town of Springdale is still a major funder to the Fire District budget through the TRT tax. Louise requested the Board seriously consider going through the County, which is the Boards governing agency, and ask them if the District's fiscal year can be changed to match Springdale's,

which is July 1 – June 30. This would help with their accounting in providing a portion of the TRT tax annually.

Diane Anderson from Springdale commented that she does not know what her increase will be but her interest is in knowing what the percentage is. In the last public hearing, it was indicated the businesses were going to pay a large percentage of the total. Is that going to be 75%, 85%?

Diane asked when the increase will take effect. Michael Plyler responded that it would not be passed until the August meeting, so the billings will not go out until the end of September. Diane asked if this increase will be effective for 2015 and 2016, or are we just doing a year at a time. Clerk Harris responded the increase will be for July 1, 2014 through June 30, 2015. When Diane asked if this would be done again for the following year, Chair Plyler was hoping there would not be a need for another increase next year, but prices go up.

Shauna Young from Springdale stated that we know the District does a great service and this is a great service for the communities, but she is afraid the District is pricing themselves out of the market. She has two rentals in Springdale that she tries to keep at a rent that people can afford, as her renters work as dishwashers and cooks in town. The District is telling her she is going to have to raise her rent \$100/mo. She doesn't make any money off her rentals as it is. Some of these hardships are going to trickle down to the people who really can't afford it. The Town of Springdale is working hard on trying to find ways to keep our workers up here in rentals. The District is asking too much for 840 people to do.

Patricia Black from Springdale asked if the Board had ever been able to approach Springdale. She was here when a certain percentage of the TRT was to go to the Fire Department. She understands Springdale actually stole that money. It was intended to go the Fire Department, and it doesn't all go to the Fire Department. Chair Plyler responded that it was actually intended to go to the ambulance service and then the Town withdrew approximately a third of the funds. We have actually had a discussion with Springdale and we haven't concluded that. The Town just gave the District \$66,000 as a one-time offset, so to speak. (In the September 17, 2014 meeting, it was clarified this figure should have been \$60,887.) These discussions will be ongoing, but even if they give the District the full TRT of about \$170-180,000, that only subtracts \$60-70,000 from the \$450,000 needed. That doesn't make a big reduction across the board when it is divided between 850-900 people.

Patricia asked if that \$66,000 will then be placed in the revenue column? Chair Plyler responded that the District has a list of items we want to spend that money on; part of those things are actually in the budget, so we could reduce those line items in this budget. Some of them are not on this budget. The things that would be in this budget that we would hope to pay for with that money – rather than reduce the standby fee, we would keep the additional in the hopes that next year we don't have to come back asking for another increase.

Dan McGuire from Rockville thanked the current board, Ryan Ballard, and all those who have served on this Board in the past for their voluntary work. Dan stated that Chair Plyler had made a generalized comparison of a population of 900+, but he didn't mention anything about businesses and the potential from them. That needs to be factored in for the people visiting here and, if it is possible, that rate could be increased. Chair Plyler responded that the TRT is maxed out. The TRT tax cannot be raised any higher. If Springdale or Rockville desires to add an additional tax, they

could research that. The Standby Fee is not a tax, it is a fee. We have no taxing authority relevant to room tax. Any monies we were to receive from the tourists have to come through a municipality. Dan stated he attended the District's last work meeting and understands the Board is trying to make a budget that works, according to what was said at that meeting. He asked if there was a chance anything could change as a result of the input received at this meeting. Chair Plyler responded that he could not speak to how the discussion will go before the fact, but the Board will certainly discuss it after listening to everyone's observations.

Dan was concerned about the potential increases in rentals, etc. that may affect people and asked if it was likely or possible that the budget could be changed as a result of the input. Chair Plyler replied that the Board could certainly revisit all the classifications.

Matt Rayner from Springdale stated he expected some general information relative to how many runs were done last year; something about what was done. Chair Plyler responded this was a standby fee hearing. Mr. Rayner said he would like to know what he is paying for and Chair Plyler responded that whether the fire department goes on no runs or whether it goes on 100, you still need personnel in the station. Mr. Rayner stated if there are no runs, you don't need a \$700,000 budget; he just wanted some information. Chair Plyler reported he thought there had been 120 call outs last year for fire and ambulance; about 80% ambulance and 20% fire.

Jack Burns from Springdale and also a property owner in Rockville asked what the Board's thoughts were on the long-term viability of this approach. Has the Board looked at the math and done a projection on the population growth and inflation rates and what it looks like in five or ten years. He also wanted to know if there was a Plan B and what would be the pros and cons of turning the service over to Hurricane.

Dan McGuire from Rockville stated that when he was the Mayor of Rockville he often sat in on District board meetings and one of the issues that was always discussed was the uncollected fees for ambulance services. Has the Board considered strengthening that process where people have to pay for the service that they're getting like they do at the hospital; not allow people to simply drive away and not pay their bill. He was talking about at least \$40,000, that he is aware of. Chair Plyler responded that discussions have taken place and consideration is being given to a process by which after they are transported and turned over to the hospital, our personnel get with the hospital's billing department and attempt to get in on their credit card.

Chair Plyler answered the question posed earlier by Jack Burns. Relative to looking into the future, clearly if Springdale continues to build hundred-room motels, and he didn't know what their big picture was on that, that would be a source of income. One of the remedies for spreading the cost around is obviously for Springdale to develop more.

Relative to Hurricane or some other department or entity providing the service, we actually had a discussion with Hurricane when we started the process, and they wanted approximately \$70,000 less in standby fees than we are proposing, but they would cut the staffing in half. They would hire people who were trained in EMS and fire and there would be only two on call. Currently there are two EMS and two fire people in house. In the Hurricane plans, you have two people that are cross-trained. The page goes out for a medical emergency and the two personnel get in the ambulance and take care of the patient. If, in the midst of taking care of that call, a page goes out for a fire incident, they would have to page people to come from wherever. Currently, we have only four firefighters who live in Rockville and Springdale. We have other employees who live in Virgin and other

nearby communities. They would have to come up which is a delay. Our response time is very good, on the average. We have a couple of anomalies where there was a 15 min. response time, but basically our response time is in the seven to nine minute range. Our ISO rating is four, one being the best. The Las Vegas City Fire Department has an ISO rating of one. Clark County has an ISO rating of two. Both of those departments have an approximate 7 ½ minute response time. Clark County rating is less because they have some very rural fire stations. Basically, we have a response time that is pretty close and, if we turn it over to Hurricane, the response time is going to be approximately 45 minutes. For a house fire, there would be nothing left.

Before our current chief, Hurricane resident Joe Barker was the chief and we had all these classifications. His cost for fire protection on his taxes is more now than on a comparable house than someone in Rockville or Springdale. Hurricane basically wanted us to increase the rates, turn it over to them, and they were going to cut \$135,000 in expenses out of their budget, but still wanted the same amount of money. There were going to eliminate the clerk, the chief, two paid people, etc. And, there would be a 45 minute response time.

The philosophical question of do we think about the viability in general; Chair Plyler knows he does and Barry Rhodes does. We have had these discussion and we think about it all the time, for a number of reasons. Can we get firemen to come and work for us, we can't continue to just keep increasing the standby fees because people can't afford it, ad infinitum. But, if Springdale continues to grow at the rate that they are proposing, the standby fee revenue will certainly go up. Whether it will go up in step with our needs in equipment or personnel, he can't predict.

The District isn't going to dissolve itself, the citizens have to petition the County to dissolve this Board. There would probably be an interim where we would still be providing coverage while the process was being done. Then, someone has to step up and do it, and until someone does that and there were a fire, then by default Hurricane would come. Another entity would get all the equipment and start over with personnel. The costs are real.

Brion Sabbatino from Springdale asked what responsibility does the State have in such a unique situation where we have such a small population base and such high needs. Chair Plyler responded that the TRT, for example, go to the State website and look up the TRT and what it can be spent on, infrastructure priorities are way down, the very first priority of the TRT is to spend the money promoting more tourism. It becomes a cascading problem where you have more tourists that create more demand for infrastructure, you charge them a tax and then the money goes to attract more tourists without taking care of the problems the first batch of tourists created in terms of infrastructure.

In Gatlinburg, TN they have 3.5 million visitors and we have 3 million. They have 16% more visitation than we have; they also have a lot more motel rooms than we have, but their fire budget is 2.66 million dollars, and it is fire and EMS. 1.6 million dollars of that budget is wages; they have 36 full-time firefighters who make \$36,000+/yr.; three chiefs at \$48,000/yr. Their municipal budget is 18 million dollars and part of their revenue in their budget is similar to our TRT tax; 1.3 million but \$800,000 goes directly to the community for infrastructure; only \$475,000 goes to promote more tourism into Gatlinburg.

Brion questioned what else the State can do to help municipalities like this; we can't be the only ones in this situation. Chair Plyler did not have an answer to that question.

Dan McGuire referred to the budget amount for a chief's salary of \$80,000 and references a compensation packet and questioned the meaning. Chair Plyler responded that the starting figure was \$60,000 for salary and 20% compensation which would be medical/retirement, but it is all negotiable. That is not a hard figure; we are going to interview candidates, sit down with them and try to whittle it down to whatever we can.

Dan remarked that many communities across the country are suffering from being too generous in compensation packages in the past and now they are trying to catch up. They are finding they can't pay for retirement, etc. Chair Plyler responded that if the applicant wants to take \$10,000 of their wages and put it into a retirement, they would be able to do that, but we will not match it.

Dan stated the drug testing was a significant increase and asked if it would be random, periodic testing. Chair Plyler responded initially every person will be tested then throughout the year there will be three picked at random for testing per month.

Dan asked if the Board had taken into consideration if someone was to test positive what the cost would be to train a replacement. Chair Plyler stated this is still a draft budget and no final decisions have been made relative to the budget or standby fees. The current firefighters are continually training every week, the training costs would not go up, and it would be just a different person receiving the training at the same cost.

Lisa Zumpft from Springdale thanked the Board for doing their job. Lisa stated that she has personally benefitted twice, and indirectly three times, from the District's services. The first indirect was when Springdale caught on fire due to fireworks; she is very grateful the firefighters were there. They made a big difference. Secondly, her house was subject to a potential fire when a contractor next door started a fire and the fire came toward her house and within minutes the fire department was there and stopped it before it reached her house. If it had been necessary to wait for help to come from Hurricane, the house would have been gone. The third instance was when they were hit by lightning and, fortunately, the house did not catch fire, but the fire department was there within minutes. Lisa stated she was in full support of the increase.

4. **ADJOURN PUBLIC HEARING** – John Callahan moved the public hearing be adjourned. Barry Rhodes seconded the motion and a roll call vote indicated all those present voted in favor of the motion.
5. **ADJOURN** – Barry Rhodes moved the meeting be adjourned. Luci Francis seconded the motion. A roll call vote indicated all those present voted in favor of the motion.

Meeting adjourned at 7:35 p.m.

Minutes typed by:

Elaine M. Harris  
District Clerk

APPROVED:

---

Michael Plyler, Chairman