

Merger and Consolidation
White Paper
for
Bonita Springs, Estero, and
San Carlos Park Fire Districts

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ABSTRACT

In August of 2007, the fire chiefs of Bonita Springs, Estero, and San Carlos Park Fire Districts met to discuss the options of improving services. From that meeting a committee was formed comprised of two members from each District to author a White Paper on the benefits and shortfalls of consolidation and/or merger. The White Paper outlines components of functional consolidation and consolidation of services leading to the feasibility or possibility of total consolidation, otherwise defined as a merger. Historical review of emergency services departments revealed varying forms of challenges and opportunities confronted by those departments who chose to undertake the improvement possibilities offered through consolidation and mergers. Consolidation is not new to Florida, records date back to the 1800's with more advanced consolidation and mergers as early as this year in South Florida alone. Not without hurdles, many organizations have set aside personal feelings and agendas and stood solidly behind their decisions of consolidation exploration and determination to build a unified organization that would effectively and efficiently serve the public at-large. The committee's countless challenges, coupled with potential opportunities to unite the fire districts for the common good, was paramount in the development of the White Paper. From current functional operations to consolidation, the possibilities are enormous. Known challenges will exist and still others will present themselves in the future, therefore further exploration is encouraged.

INTRODUCTION

In August of 2007, the fire chiefs of Bonita Springs, Estero, and San Carlos Park met to discuss the options associated with improving services among the three districts. Fire districts have been scrutinized by the media for years. The fundamental goal is to address potential savings or improved efficiencies. This raises a very important question -- Is there something we can do together to become more efficient, more effective or reduce costs? Coupled with tax reform issues and continued community growth, the fire chiefs are taking a proactive stance using due diligence in the review of potential options for the efficiency of operations between the three respective districts. From that meeting, a committee was formed comprised of two members from each district to author a White Paper on the benefits and shortfalls associated with consolidation and merger subjects. This White Paper entails components from functional consolidation to consolidation of services leading to the feasibility or possibility of total consolidation or otherwise defined as a merger.

The committee convened on September 6, 2007 to initiate discussions on the planning process for what the White Paper will entail. The information contained in this White Paper was comprised from sources specifically within Lee County. Two specific documents were referenced dealing with Lee County. The first document titled, "Fire Consolidation Realities Report a Review of the Facts" is the fourth edition and written by Brian Juntikka on March 19, 2007. The second document titled, "Analysis of the Fire and Emergency Medical Services System of Lee County, Florida" was written by DMG-Maximus, a consulting firm based in Framingham, Massachusetts, November 1998. These two documents are the historical basis of the information within the White Paper. The remaining information within this document has been obtained by the collective committee delegated by the three fire districts of Bonita Springs, Estero, and San Carlos. Along with the information collected by the six member committee, additional information on functional consolidation, partial consolidation and merger applications was researched individually and collectively by this group.

This White Paper is geared toward the three specific fire districts of south Lee County and is intended to address the pros and cons associated with merger and/or consolidation efforts. Although the committee references the two previous stated documents and the research

documents that appear at the end of this White Paper, the primary intent is to focus on the three specific districts with a growth potential to incorporate other interested districts or parties as this project moves forward.

The White Paper references three specific categories, first dealing with immediate functions and processes that may already be in the works between the respective districts, and the potential of other functional aspects that the districts could incorporate should this project move to the next phase. Second are short-term functions and/or processes that could be accomplished within a period of six months to two years. The third being long-term, being greater than two years in time.

HISTORICAL PERSPECTIVE

Florida is divided by general law into 67 counties; any additional local governments (municipalities, independent special districts) exist by special acts of the legislature and approval by the voters living within the boundaries of these governments. Special district governments are created to provide municipal and other specific purpose services to the citizens who live within their boundaries; fire control districts are typical of this. However, there are two different types of special district governments in Florida: dependent special districts which are local governments created and controlled by county government; and, independent districts which are public municipal corporations created by a special act of the Florida legislature and a majority vote of the citizens who reside in the district. The three referenced fire districts within this White Paper are independent special districts.

The movement to consolidate fire districts within Lee County is not a new process. In late 1972, the Lee County Administrator instructed the County Director of the Division of Protective Services to draft a plan for the consolidation of all fire departments in Lee County into a single county owned and operated agency. When the existence of the plan was discovered by area fire departments in the spring of 1973, a political fire storm erupted causing the Division Director to resign his post. Not long afterward, the County Attorney learned that the county government had no authority over the independent special fire control districts whatsoever and the matter was dropped. (Juntikka 2007)

The 1974 Florida legislature enacted a number of laws dealing with the long burning issue of dual taxation (city residents paying for county services not used). These new laws permitted counties to create a new type of dependent taxing district called a municipal service taxing unit, or MSTU, as these came to be known. Unlike dependent special districts, an MSTU could be created by county ordinance with taxing authority, without a referendum vote of the people affected. (Chapter 74-191, Laws of Florida)

With a new Protective Services Division Director, the county government used these new laws to create a fire protection MSTU to cover the volunteer fire areas of Alva, Bayshore, Estero, Fort Myers Shores, Iona McGregor, and San Carlos Park, in 1975. Another fire protection MSTU was created to serve the community of Tice at the same time.

The MSTU was short lived and in September 1976, through primary election, voters in the communities overwhelmingly approved the creation of independent special fire control districts. Thirty-one years later the picture of the fire service in Lee County has significantly changed and south Lee County is no different. Comprised of career fire, rescue and emergency medical service systems and the enhanced 911 reporting system, the fire service has been progressive to maintain life safety for the citizens of south Lee County.

MERGERS and CONSOLIDATIONS in the U.S.

Fire and building codes, mass purchasing, hazardous materials response, and disaster and emergency planning are only a few of the consolidated efforts that trend the fire service in this era. One of the nation's leading experts in the field of consolidation and mergers, retired Fire Chief Jack Snook from the TualatinValley Fire Rescue Department in Oregon and his then Assistant Chief Jeffrey D. Johnson authored a book titled, "Making the Pieces Fit, Cooperative Service Through Consolidations, Mergers and Contracts". Chief Snook writes in his book, "indeed the thought of consolidating or merging the fire department you've called 'your department' for years can cause tremendous anxiety."

“Cooperative service spells fear for many fire departments and elected officials, fear of the future, fear of losing identity and fear of losing control. It’s a break from tradition in an industry where the only welcomed form of progression is generally in the apparatus and equipment.” Snook and Johnson continue, “The fire department for all practical purposes sells only one product: service. As public servants we must continually seek out ways to supply a high quality product at either the same cost or reduced cost. We owe it to our customers. The formation of strategic alliances between fire departments (districts) is not only a way to cope with the current environment but is a way to provide an efficient and effective means to deliver quick service better and possibly even cheaper. Those individuals who can look past personal agendas, comfort zones and internal or external pressures will ultimately adopt solutions that not only address, but also guarantee that the needs of the citizens served are met.”

Consolidation is not a new concept to Florida. In 1885, the City of Orlando established a volunteer brigade. Its effectiveness was limited, but for the most part it was adequate. By 1890, there were six volunteer companies using the name Orlando Fire Department. Consolidation of the six volunteer companies followed in 1893, meaning that Orlando had an organized fire department.

Since the Orlando merger in the 1800’s, many Florida fire service organizations have explored consolidation and merger avenues and incorporated various concepts. Charlotte County, Orange County, Palm Beach County, and Sarasota County are several countywide departments formed through consolidation efforts between 1986 and 2007. Pinellas County is an example of a countywide functionally consolidated fire service. Opinions run rampant regarding approaches taken toward these departments’ consolidation efforts, and on the effectiveness of various departments’ current operations, but what is clear is that the consolidation/merger concept is not new to Florida. Lee County (specifically Bonita Springs, Estero, and San Carlos Park Fire Districts) are not immune to the need for further exploration.

WHERE WE STAND

This section references three specific categories, first dealing with immediate functions and processes that may already be in the works between the respective districts. It also addresses

other potential functional aspects that the districts could incorporate should this project move to the next phase. Second are short-term functions and/or processes that could be accomplished within a period of six months to two years. The third period would be long-term, or greater than two years.

The committee addressed pros, cons, and made observations on five specific categories dealing with the organizational structure of the current fire districts. The five categories include administration, operations, prevention and life safety, support services and training.

Current or Immediate

Currently, the three fire districts share several items that are in the functional consolidation category under immediate or current functions. The districts currently consolidate for hurricanes into the south geographical division of Lee County. The districts utilize consistent medical direction, utilizing the same medical director sending out the same message and conducting the same emergency medical services training for the EMTs and paramedics in the respective districts. The districts also rely on automatic mutual aid for emergency incidents. Some joint training is also conducted at this time. Urban Search and Rescue (USAR) functions are another consolidated function between the three districts. USAR also includes shared assets. In addition to the operational immediacy, administrative services, such as human resources, share questions and information dealing with procedures and guidelines.

Short-Term

The short-term category addresses functions and/or processes that could accomplish additional immediate operations as well as begin the processes for other opportunities within the functional consolidation portion of the project. These short-term goals would include closest unit response, basically eliminating the territorial boundaries and allowing the closest available unit to respond to any specific emergency. The districts could realize cost reductions through volume purchasing. Maintenance and repair could be accomplished through one central repair facility for vehicles and apparatus. Although, functional in nature, this could result in one part of a consolidation plan specific to this category. Short-term services can also consider that Estero

and San Carlos Park are exploring additional stations further east in their respective current districts when one station may serve both their needs.

Fire Prevention and Life Safety could implement Pre-Fire planning programs for operations across all districts. All Public Education Divisions could be moved within the Fire Prevention Division. Additional short-term functions may include the incorporation of unified standard operating guidelines and procedures for operational functions. The incorporation of standard operating guidelines and procedures for administrative functions would bridge the short to long-term time frame. The administrative process could begin functional consolidation of additional shared information and services dealing with information technology, human resources, finance, in addition to prevention, life safety, public education and public information sharing.

Long Range

The long range or total consolidation/merger can result in many efficiencies for an effective operation of the district. The consolidation or merger within the districts can result in consistency and decreasing duplication of services such as:

- Customer service
- Fire protection
- Employee hiring (beyond CPAT)
- Employee orientation
- Employee testing and advancement
- Training
- Purchasing

Some of these include the need for only one accounting program for payroll, expenses, etc. The preparation of a single budget would result in a single audit. Purchases may be tracked more efficiently through the person or persons doing the job they are assigned and not having to be responsible for other jobs. Such tracking of all purchases through one delivery center would result in central receiving, inventory, and distribution control. The consolidation of

administrative and operations management personnel into fewer centralized facilities within the merged districts will likely reduce administrative costs.

Consolidation and/or merger can increase the number of resources deployed for initial response. We could increase the number of responders for all emergency tasks from the initial call. This reduces the burden on the initial commander to call for more units and reduces radio traffic as well.

Consistent medical training and equipment would decrease the need for three different trainers to duplicate lesson plans, outlines and classes. Easier sharing of 'best practices' guidelines for all planning and operations activities:

- Firefighting
- Training
- EMS
- Special Operations
- Personal protective equipment (medical and firefighting)
- Infectious disease exposure
- Disaster plans (MCI, Pandemic Flu).

The training staff would be able to concentrate solely on education and training. Mutual training facilities will eliminate the need for Estero to build one as Bonita Springs and San Carlos Park have existing training facilities. One well-equipped training center with a qualified teaching staff can provide better, more consistent training than two or more training centers scattered among the same area. Consolidation of training divisions brings together the best staff to provide specialized training. Organized and professional trainers can provide a much more efficient program and better service to the overall community.

Long term the districts will also be able to better facilitate coverage during emergency and non-emergency events such as station back-fill, addressing large gatherings such as concerts, training with the medical director in-services and scheduled events through public education. The districts will be able to reduce the number of reserve apparatus to maintain ISO ratings and

possibly decrease the ISO rating to benefit residents as a whole. A merger would also provide the possibility to increase all response apparatus to advanced life support capabilities, could potentially provide a fully staffed and equipped hazardous materials team, trench rescue team, and aerial apparatus. Such services would be readily available to everyone within the newly formed district. Consolidation efforts can also enhance the functionality of specific types of apparatus. A truck company will have the ability to function as a truck company, and an engine company will have the ability to function as an engine company. The districts may have the ability to comply with National Fire Protection Association Standard 1710 and 1500 that references staffing applications for emergency response.

As a larger department the districts would need fewer pieces of reserve apparatus for an equal number of front line units, this would result in lower apparatus replacement requirements. Consolidation also reduces the expense of specialized apparatus like aerial trucks and hazardous materials vehicles. The long-term process can also standardize vehicle make and design in a consolidating department that allows bulk purchase of parts in larger quantities for generally more efficient operation. Standardized equipment would allow for easier and bulk purchasing. This would also result in the ease of training using the same equipment. The districts could also realize the possibility of fewer fire stations because of larger scale planning. In addition, other support services such as general supplies from offices to facilities maintenance could be purchased on a larger scale thus saving by bulk purchasing.

Consolidation would create one Fire Prevention Division. All three districts have continuing steady growth that has a positive economical impact that can be shared. A twelve month inspection cycle for all existing occupancies and standardized fire code enforcement and interpretation would be realized. Coordination of plan review efficiency would ensure that reviews are done within a more effective time frame using standardized uniformity of inspection processes, including fire code interpretation and procedures.

Although not all of the districts are using the same computer database for fire prevention activities, consolidation would result in one database and blue print archiving program and one

computer database reporting system. Uniformity or standardized inspections for new construction or existing occupancies would occur.

CHALLENGES

Functional consolidation, partial consolidation, and merger do not come without risks. The loss of identity for the districts, the districts' citizens and potentially the employees are only the tip of the iceberg. Consideration must be given to the distrust of employees due to lack of definition or 'why' are we doing this. Consideration must be given to the fact that the intentions of this group may be perceived as not being in the best interest of the taxpayer, the employees, the other fire districts and/or Lee County. An additional challenge to address is the specific time frame and expense that it will take to bring everything to standards for one fire district. The customer may need to travel further to conduct business with a larger district.

The districts will likely see an initial increase in operational cost until duplicated positions are eliminated through attrition. Three different union contracts with two different unions will also need to be addressed. Fire Commission boards will need to address their dissolution and the creation of a new entity. The importance of effective communication is critical. Both internal and external communications may take longer to effectively address. Changes in operational direction may take longer to implement, such as more people to educate.

Such consolidations and associated efforts are feasible, but they require planning and time. It will be critical to assure that a time plan is created as this process moves forward, if we are going to go forward. There will be costs associated with turning back.

CONCLUSION

It is critical to understand that the current functional consolidation that exists between the three fire districts coupled with the immediate pending functional consolidation efforts, progressively grow to acceptance of all involved parties over time through successful utilization of the resources to accomplish the identified tasks. Functional consolidation is a process which leads to consolidation of perhaps specific entities within the districts as another step toward acceptance

and buy-in of all involved parties. Over the course of time, such functional consolidation and division consolidation creates buy-in and positive reinforcement through questions being asked to what will we do next.

Both functional consolidation and partial consolidation could lead to eventual mergers based on the success of those independent yet dependent functions and processes. Chief Snook writes in his book that, “even with all the positives to consider, there are situations or circumstances that may stand in the way of achieving successful cooperative efforts. These include fear of losing control, poor communication, turf issues, politics, timing, the diversity of organizations, cultures and internal or external sabotage.” Even with these potential barriers, when addressed appropriately, success is possible. Snook continues that the possibility for increased efficiency, improved effectiveness, enhanced or expanded services, reduced costs, cost avoidance, coordination of regional planning, elimination of artificial boundaries, standardization of services and programs and a potentially reduced ISO rating for the district exist.

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