



# FIRE AND EMERGENCY SERVICES FINDINGS AND FACTS

A summary on the findings and recommendations pertaining to fire and rescue services for the City of Otsego, Minnesota.

# City of Otsego, Minnesota

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**PURPOSE:**

Fire and Rescue services are critical to any community. Although there is no law that requires one to exist, taxpayers expect a response to their emergency in the quickest time possible. Having an effective emergency response plan that includes law enforcement, fire, and ambulance, is an attractive feature to growing communities. Like trails, parks, and good leadership, emergency response is measured when determining where one would like to live.

For decades, the City of Otsego has been broken up into three response areas and contract fire and rescue services from the cities of Albertville, Elk River, and Rogers. Although that delivery model has worked well for a rural Otsego, it has raised questions and concerns about the growing community of today. On May 21, 2021, the city contracted Capstone LLC, of Minneapolis, to assist them in understanding their options for delivery of fire and rescue services and review their community emergency operations plan.

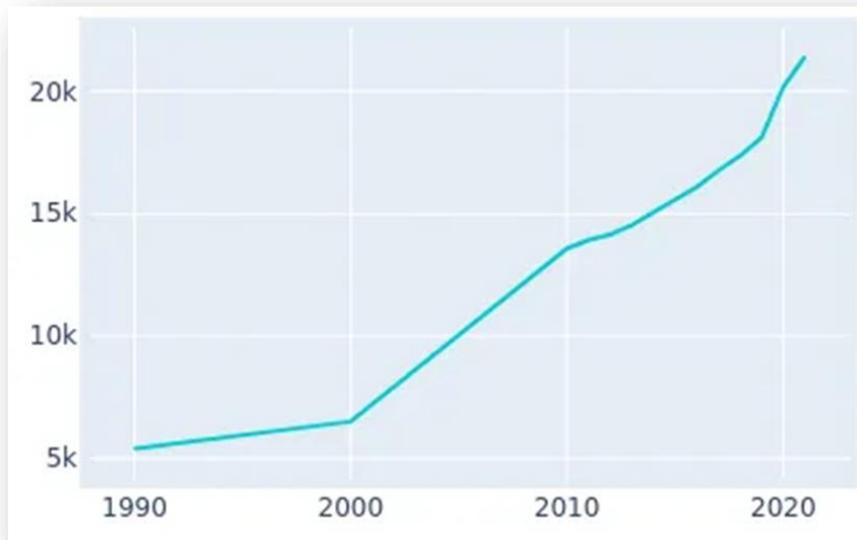
**GOAL**

The City of Otsego set on this evaluation with the goal of establishing the best model for delivering emergency services, focusing on both fire, rescue, and community emergency management. The mission was to collect facts on the current service delivery model, review the community's emergency operations plan, and offer options and recommendations to the City Council for review. It was important to engage stakeholders and city staff to ensure all considerations were reviewed and discussed. To date, the consultant and staff have over 250 hours dedicated to this evaluation over a sixteen-month period.

**COMMUNITY DEMOGRAPHICS**

At the time of this report, the City of Otsego has a population of 21,289 residents and growing. The City of Otsego covers an area of 30.65 square miles in the northeast corner of Wright County. It rests at the confluence of the Mississippi and Crow Rivers and is approximately thirty miles northwest of the City of Minneapolis. Otsego incorporated in 1990 to serve its residents and manage growth more fully. With public utilities becoming available in the early 2000's, the city has been rapidly growing. Otsego is now the largest city within Wright County, with a population increase of 47% from the 2010 Census.

## U.S. Census - Otsego Population Data 1990 – Current



### 2020 U.S. Census Data

The city prides itself on its fourteen individual parks combining for more than 173 acres and a trail system with approximately forty-two miles of paved pedestrian trails. Unique amenities of the community include Canoe River Access, Splash Pad, and Prairie Center Facility. The City's Recreation staff hosts free community events throughout the year and offer programming choices to all ages. There are two elementary schools and a middle school within the city, all part of the Elk River Area Independent School System #728. Other school districts serving Otsego students includes St. Michael-Albertville (#885), Monticello (#882), and Kaleidoscope Charter School.

The City operates as a Plan "A" Statutory city with a mayor and four council members, all elected at large with staggered four-year terms with elections in even years. The City Council appoints the City Administrator, who oversees day-to-day operations of the city. The City Administrator works directly with five department leaders. The city has a total of thirty-two full-time employees, within six departments. Otsego has five zip codes throughout the city, which makes a department who is familiar with the area to be important. Otsego is experiencing the change of demographics as past metro residents are moving to Otsego, this creates a change in service expectations and demands.

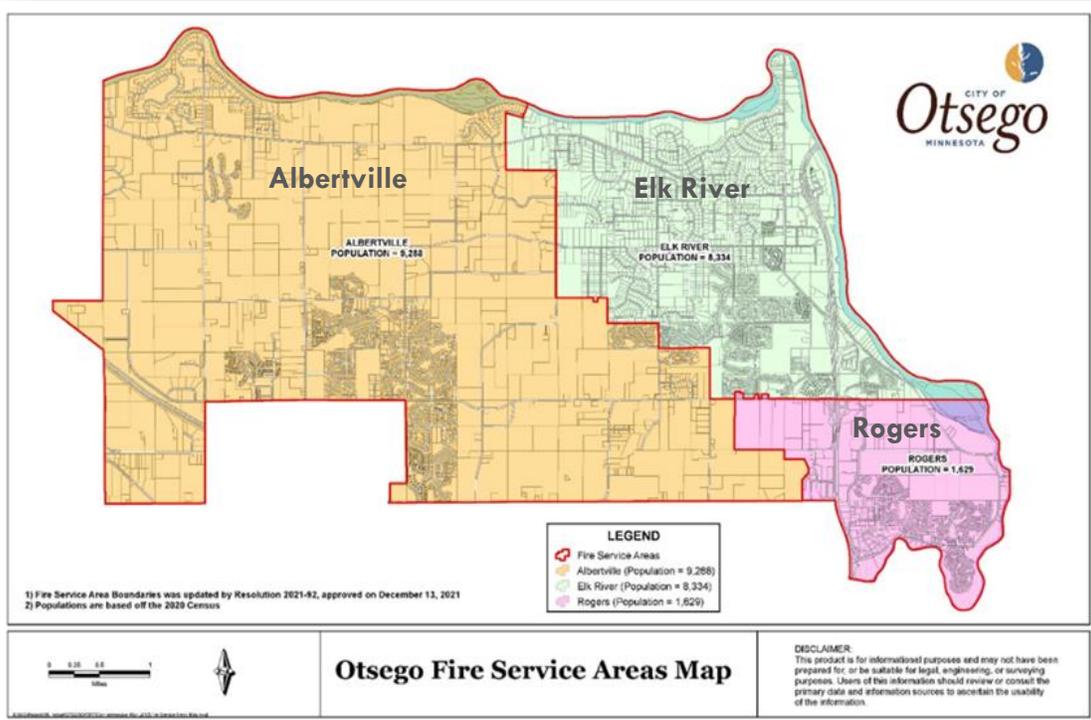
The city maintains an East and West water system, which has wells and a full Wastewater Treatment Facility on both systems. The city has four water towers within the community supporting our rapidly growing commercial sector and new developments. The older neighborhoods rely on private well systems which creates challenges for emergency services if there were a fire as they have no fire hydrants to service them in an emergency. Water is hauled in by water

tenders and shuttled to and from the scene to maintain water flow. This creates an additional obstacle with a fire department and the needs of the community. The rapid growth and influx of development places increased demands on local government and adds additional hazards to the community.

### **911 ALARM NOTIFICATION AND COMMUNICATION**

The City of Otsego uses three fire departments from neighboring communities to provide fire and rescue services via contract. When there is an emergency, someone must dial 911 to activate the emergency response system. The 911 call is directed to a county Public Safety Answering Point (PSAP) and answered by a 911 Telecommunicator who first verifies the incident location and interviews the caller to determine the incident type and severity. The data is entered into a computer aided dispatch (CAD) system that recommends what police, fire, and ambulance service needs to be dispatched to the incident location.

Each of the contracted fire departments are in three different counties (Wright, Hennepin, and Sherburne). Since the City of Otsego is located within Wright County, incidents are immediately paged to the fire department directly from the Wright County 911 Center. Because Elk River and Rogers are in another county, Wright County cannot immediately dispatch them, therefore, the 911 call must be transferred to that county, and that 911 call taker must enter the information into their CAD to dispatch the recommended units. This creates a time delay in two of the response areas within the city.



The current fire service areas were approved by the City Council on December 13, 2021. Using the 2020, census data, the City of Albertville Fire Department protects a population of 9,288. The Elk River Fire Department protects 8,334 residents and the City of Rogers protects 1,629 residents.

### PHASE 1: INFORMATION GATHERING

At the beginning of this project, it was important to collect facts to show the City Council the services that are being provided and clear up assumptions that may have developed over time. We met with the contract fire chiefs two times to collect information, and then met again to have them verify it. A document called, the “Otsego Fire Service Comparison” was prepared and presented to the City Council (See attachment #1).

#### Document Highlights:

1. Each contractor’s annual contract is determined by a different funding formula.
2. Two of the contractors (Albertville & Elk River) charge for capital equipment, however, they purchased no additional equipment to be used specifically for the City of Otsego.
3. None of the contractors hired additional staff to manage the Otsego contract.

4. The City of Otsego has no ownership of the equipment they pay for.
5. There has been a continual increase in contract budgets over the past 5 years.
6. The budget for the contracts was \$941,073 in 2022 and is \$1,053,115 for 2023.
7. The contractors responded to 278 calls for service in Otsego in 2021 with a budget of \$769,133. That equates to \$2,767 per incident.
8. Most calls are handled by a single resource.
9. Because the funding formulas to determine the contracts are different, so is the per capita cost for residents.
10. Each fire department is managed by a full-time fire chief and uses volunteer firefighters.
11. Each service delivery model is different with how each contractor responds to medical calls.
12. There were 42 calls for service (2020) in Otsego defined as a “fire incident” and 118 defined as a “medical incident.” The rest were service calls.
13. The training credentials of each department are not equal.
14. Albertville and Elk River will provide fire inspections upon request; Rogers does not provide fire inspections for their service area within Otsego.
15. Each department is dispatched from a different county 911 center. 911 calls coming from the City of Otsego must be transferred by the Wright County 911 Center to Hennepin or Sherburne for a fire response from Rogers and Elk River.

### Future Challenges

During our discussions with the fire chiefs, we asked them about the challenges they expect to face in the future. They stated the following:

1. Recruitment and Retention of volunteer firefighters
2. Increased costs
3. An increase in service demands for medical responses
4. The need to change their funding formulas

5. A staffing model changed to a Duty Crew program
6. Increase capital equipment costs
7. The need to charge Otsego for capital equipment cost

### Emergency Management

We asked the fire chiefs about the city of Otsego's Emergency Operations Plan (EOP) and if they have seen it, with each of them responding that they are not familiar with the document. We asked them if they knew any of the department heads within the city, with only one of them being familiar with the appropriate contacts within the city. Each of the fire chiefs understand emergency management and can work within a plan well, however, they cannot act as an Emergency Manager for the City of Otsego. If there were a large incident that affected their community and Otsego, such as a tornado, the chiefs stated there was no guarantee that they could respond to Otsego as they had to manage their own community's emergency. They would call for "mutual aid" from regional partners to assist in Otsego.

During the study we provided all the city staff with training in emergency management. During the class sessions with each department, employees had questions related to their role in the emergency management plan, and if further training would be provided. It is clear the city could use more training and structure on the topic of emergency management.

### Fire Station Location and Council Member Discussions

In 2019, the city purchased a property at the intersection of Odean Avenue and 75th Street for a future fire station. The City also owns property at the intersection of 85<sup>th</sup> Street and Park Avenue which was purchased in 2008. The location of the fire stations was recommended in a 2018 study conducted by Beacon GIS based on access and the future growth of the community.

During the data collection process, we met with each City Council member to discuss the future of fire and rescue services for the community. Each of the council members felt the time was right to build a fire station. There were several common concerns that were discussed during the meetings.

1. They are concerned about the growth of the community and need for a faster response time to emergencies.
2. They are concerned about the continued rise in costs to provide contracted fire and rescue services.
3. They are concerned with the increased response time to medical incidents.

4. They are concerned with the lack of control to make decisions regarding fire and rescue services in the city.

#### Fire Inspections, Education, and Investigations

At the time of the study, the Building Official has the responsibility for looking at new construction plans for code compliance. Although they do good work to ensure the building code is met, no one is looking at the structure, and its operation, from a risk perspective. The fire chiefs stated they will conduct a fire inspection “upon request.” When there is a fire, the fire chief is required by law to conduct an origin and cause investigation to determine how the fire originated, and how it can be prevented. That information should be passed onto education specialists to notify the community to minimize future loss. The Fire Marshal’s Office typically conducts the fire investigation, but the final report it does not appear to be getting to city hall and educational efforts are sparse.

### **COUNCIL WORKSHOP PRESENTATION**

The information was presented to the City Council on June 28, 2021. During that meeting, we were tasked with coming up with options to provide fire and rescue services to the City of Otsego.

### **FIRE SERVICE OPTIONS**

At a Council workshop on November 8, 2021, five models to deliver fire and rescue services were presented to the City Council. A brief description of the models include:

#### **OPTION #1 – Maintain the current Fire Service contracts**

This option maintains the same model using the current fire and rescue providers through annual contracts. This option does not require building a fire station to serve the City of Otsego. The city could provide better direction on the service level it wants for the community and have the contractors respond to the request.

#### **OPTION #2 – Hire a Contractor to Manage the Fire Department.**

This model searches for a contractor who will enter into a Professional Services Agreement (PSA) to manage the city’s fire and rescue services within a new fire station in the City of Otsego. At this point, the city would reduce its contract with fire and rescue services to one provider, making it more manageable for city staff, and have a consistent funding formula.

#### **OPTION #3 – Create a Fire Protection Tax District**

State law allows communities to create a special taxing district and respective tax levy for fire protection services. This would require two or

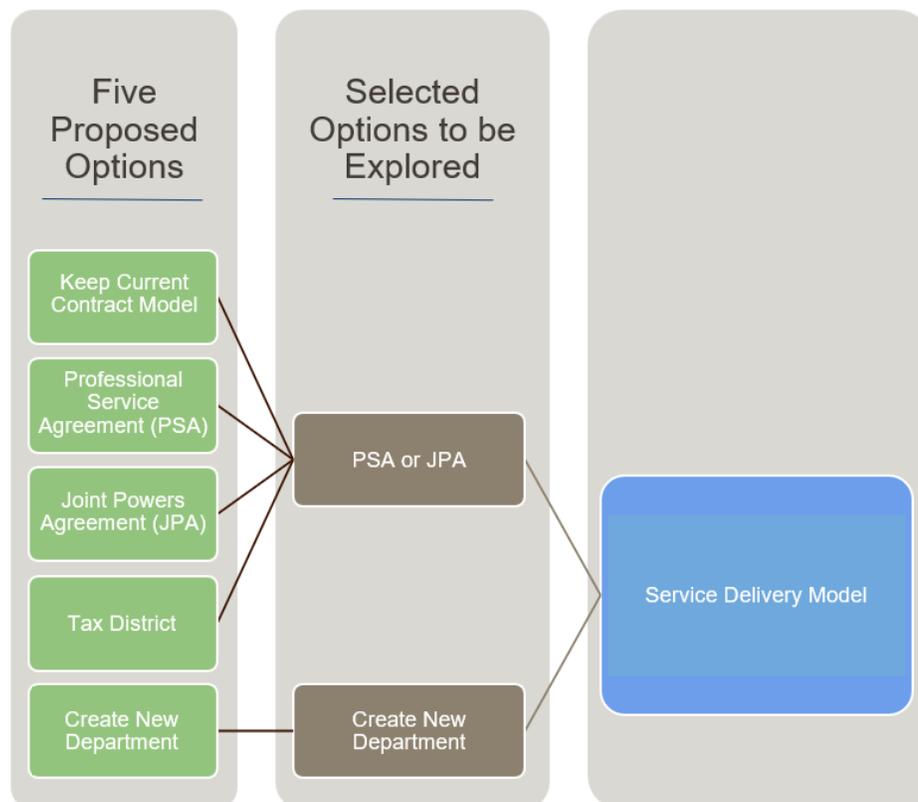
more communities to form a separate entity to provide fire and rescue services and levy property taxes for those services. The entity would have its own regulatory Board of Directors (BOD) and authority. The costs of fire and rescue services would be removed from the local tax base. All fees for these services would be approved by the BOD, not the city council.

#### **OPTION #4 – Create a Joint Powers Agreement (JPA)**

State law also allows communities to form a JPA to provide fire and rescue service without a special tax levy. Two or more communities would adopt a resolution to form a separate entity, define a Board of Directors (BOD), and funding formula to share costs and voting rules. All the decisions for the JPA run through the BOD and funds come out of the city's general fund determined by an approved funding formula.

#### **OPTION #5 – Create the City of Otsego Fire & Rescue Department**

This model would require the city to adopt a resolution to formally create their own fire department. Once that is established, a plan would be implemented to hire the appropriate staff to manage the project and lay out benchmarks to achieve over the next few years. This option would include the design and construction of a fire station.



### City Council Directive

During the workshop with the City Council, staff was directed to investigate two options, the Professional Services Agreement (#2) and Creation of a City Department (#5), both which include building a fire station. At that time, Council gave staff permission to meet with the neighboring communities to discuss the Professional Services Agreement and to identify any new ideas that may develop. Meetings were held with the City Administrator and Fire Chief from each contract community.

A summary of those discussions generated the following talking points:

- 1) Each City understood the evaluation need and process.
- 2) The Partnership would make sense if it were mutually beneficial.
- 3) Each respective City Council would need to have a role moving forward.
- 4) The Partnership would need to be setup for long-term relationships.
- 5) There are challenges in the development of a new fire station and department.
- 6) The Partners would want to be involved in the process from the beginning.
- 7) Additional staff would be necessary for operations of a new fire station and department.

### Final Meeting with the Fire Chiefs

During the final meeting with the fire chiefs, the information was verified that was within the Fire Services Comparison document, further explanation of the Professional Service Agreement concept was explained, and discussion of additional ideas or solutions was requested. We then asked what staff, and the City Council can do for them to improve the services they provide to Otsego. All Chiefs requested more communication on the expectations placed upon them from the city council.

## **COUNCIL WORKSHOP PRESENTATION**

As directed, information on the two preferred options was presented to the City Council on May 23, 2022, and June 27, 2022.

### **OPTION #2 – Hire a Contractor to Manage the Fire Department.**

#### **Pros**

- Single Contract vs. Multiple Contracts
- Consistent Service Level for Whole City
- More Control over Service Levels
- Competitive Process
- Response Time Metrics if Desired
- Response Time Improvement (if Station Built)
- Long Term Contractual Relationship
- Shared Services, Equipment, and Personnel

#### **Cons**

- Deferment of Otsego Emergency staff needs
- Partner's Policies and Procedures in Place
- Potential less staff commitment to project
- Will Retain a Contracted Feel
- Loss of Some Control
- Development Phase vs. Operations
- Span of control for PSA Provider
- Elected Official Changes

### **OPTION #5 – Create the City of Otsego Fire & Rescue Department**

#### **Pros**

- Dedicated Otsego Personnel
- Involved in Policy Development
- City Council Controls All Costs
- Leadership From the Beginning
- Emergency Operations
- Chief Position for Current and Future Needs

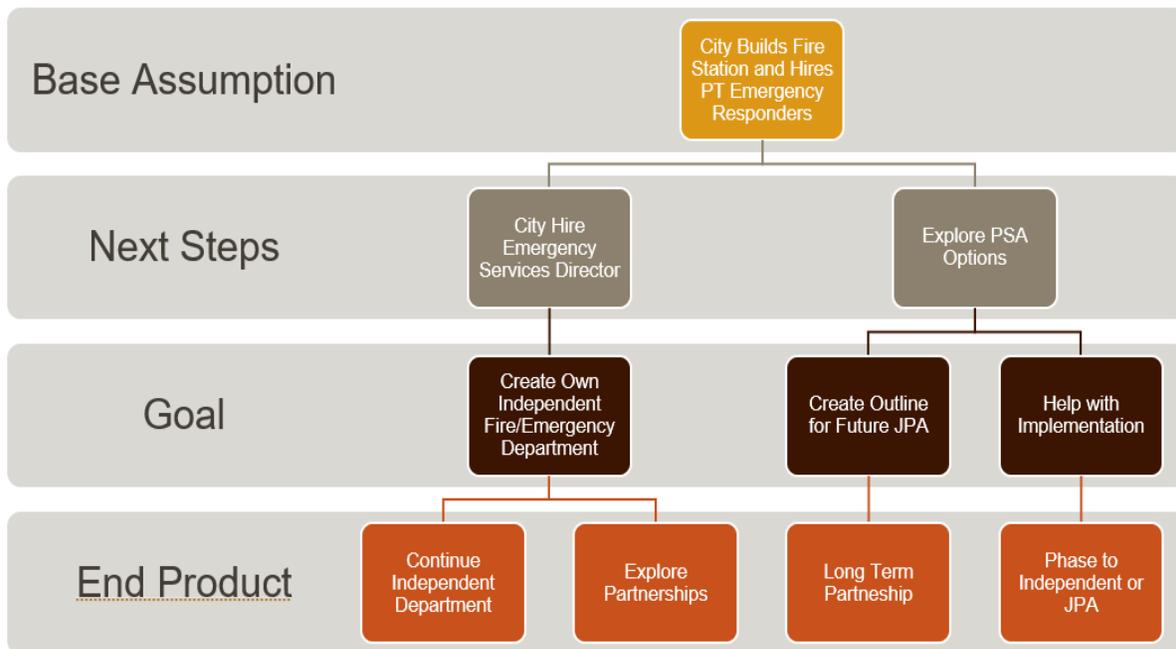
#### **Cons**

- Expensive
- Capital Costs up Front
- Recruitment of Responder Personnel
- Administrative Impacts
- New Department = Ownership

## **FINAL COMMENTS**

Staff met on multiple occasions to brainstorm ideas and converse over the best approach for fire and rescue services to the City of Otsego. We looked at other agencies models, spoke with stakeholders, the State Fire Marshal's Office, and evaluated the pros and cons of the two options we were directed to investigate. We reviewed budgets, looked at costs, and anticipated the cost of both a shared service and operating an independent agency. As the community continues to grow, so will the demand for services and the need to be prepared to handle

local emergencies when they occur. The city should take appropriate action to position itself for more growth and service demands.



On November 7, staff met and reviewed the research and finalized a presentation for the City Council. During the conversations, each of the staff members felt these two options were the best of the five presented. A special council meeting was scheduled for November 21, 2022.

### **Special Council Meeting, November 21, 2022**

A draft report of the facts and findings was presented to the City Council for comment. The report highlights discussions, decisions, and meetings since May 2021. Each section of the report was discussed at length and open for questions. The focus was to offer the City Council two options for fire services and learn of the recommendations presented. In the end, City Council Member Darkenwald motioned to select Option #5, to create the City of Otsego Fire & EMS Department, seconded by Council Member Goede. The motion carried 5-0.

Council Member Dahl then made a motion to create a job description for a full-time Emergency Services Director, seconded by Council Member Goede. Motion carried 5-0.

Staff was directed to prepare a job description for the City Council to review and approve. Once the position is filled, a timeline for implementation will be made and presented to the City Council. It is expected that the implementation of a working fire & EMS department would take at least two years. Each of the options presented included the need to design and construct a fire station on city-owned property located on Odean Avenue NE and 75th Street NE.

### **City Council Meeting**

December 12, 2022

Assistant City Administrator, Sabrina Hille, presented a job description to the City Council for the Emergency Services Director. At the time, staff was waiting for the scoring of the position to determine the pay grade and benefits. Staff will present the final hiring document, pay grade, and a recruitment plan prior to advertising the position in January 2023.

Council Member Moores motioned to approve the job description and authorized staff to begin the preparation for recruitment, seconded by Dahl. All in favor. Motion carried 4-0. Council Member Tina Goede was absent.