



**Pompano Beach
Fire Rescue**

**FIRE ADMINISTRATION
MEMO # 22-A020**

To: Greg Harrison, City Manager
From: Chad Brocato, Fire Chief
Date: 02/23/2023
Re: Lauderdale-By-The-Sea Request to Negotiate

We have been on a path over the last several years to improve the financial resiliency of the Fire Department. There have been a series of efforts undertaken over the course of time to reduce the reliance on the general fund, enhance existing sources of revenue, and discover new sources of revenue. The net effect of these efforts is to improve our department's ability to weather the inevitable financial and economic storms. The efforts have also directly benefitted our residents and business owners as we continue to seek ways to provide an equal or higher level of service but have the costs spread across a wider array of individuals instead of our taxpayers solely bearing the burden.

On a related note, at the time of drafting this memorandum, Jean Lafalaise and I have been asked to present on the topic of financial resiliency in the fire service for the Center for Public Safety Excellence (CPSE) and Western Missouri Fire Chiefs Association conferences. It is a concept that needs attention nationwide, and our efforts have been noticed by other agencies.

The efforts of note include realigning the level of funding between the general fund and the fire assessment fee in a manner where the latter is more heavily relied upon than the former. In addition, we have endeavored to establish the Public Emergency Medical Transportation (PEMT) program as an entirely new source of revenue for the City, which resulted in \$3,300,000 over the course of six years. Likewise, we renegotiated the ambulance billing provider contract to reduce the cost for the services by an estimated savings of \$750,000 over 5 years while concurrently increasing the EMS transport revenue to an all-time high of \$4,700,000. We also project that the fire academy will generate new revenues arising from students attending initial and continuing education courses.



Recently, the City Commission approved a contract with the City of Lighthouse Point where they would pay for inspection and prevention services to be provided by our Fire Department. Again, a new source of revenue was developed where we leveraged existing assets and personnel to provide service to our partner community. That effort was developed from the existing contractual relationship with Sea Ranch Lakes, which provides their community with excellent service while providing new revenue and Chapter 175 funds in an effort to pay for existing Fire Department services. The Sea Ranch Lakes contract has been in existence for many years, and it has resulted in a benefit to their community in the form of excellent fire-rescue services and a benefit to our City through the revenues generated in providing the services.

Collectively, the efforts noted above represent actions designed to capture a higher level of revenue without raising taxes. Along the same line of thought, a new endeavor has begun with Lauderdale-By-The-Sea ("LBTS") to mirror what has already been accomplished with Lighthouse Point and Sea Ranch Lakes. We were approached by LBTS with the concept that the Fire Department would provide fire, EMS and emergency services on a contractual basis in a manner that would result in a new source of revenue coming to Pompano Beach. Three service models were proposed to LBTS with the most desired model being to provide a fully staffed fire suppression unit (3 cross-trained personnel) and a fully staffed rescue unit (3 cross-trained personnel). LBTS would provide a new fire suppression unit that is currently being manufactured by Pierce, and we would use one of our reserve rescue units to provide the EMS service. LBTS would likewise provide the facility within their community and be responsible for the maintenance of that facility. They also plan to build a new fire station in the future and have acquired land to begin the effort.

The model outlined above was presented at a rate of \$1,400,000 combined with revenues generated from EMS transports, fire inspection and plan review fees, and Chapter 175 funds. The combined total of these funding mechanisms is estimated to be between \$1,900,000 and \$2,000,000 for Pompano Beach should an agreement be reached. It is also estimated that the annual net gain in revenue will be \$500,000 to \$800,000 after additional personnel are added to provide two fully staffed emergency response units. This revenue source would continue in perpetuity as long as the contract remained in effect. We would also be better positioned for various grant programs as we would be applying as a representative of four communities – Pompano Beach, Lighthouse Point, Sea Ranch Lakes, and LBTS.

In an effort to move forward with LBTS, I respectfully request that the City Commission grant authority to engage in formal negotiations with LBTS to develop a contract that would be acceptable to both communities.