



Pinellas Suncoast Fire & Rescue

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FIRE CHIEF
SALVATORE A. D'ANGELO III

MINUTES JANUARY 19, 2016 WORKSHOP AND REGULAR MEETING

Held at the Indian Shores Municipal Center
19305 Gulf Blvd., Indian Shores, FL 33785

WORKSHOP MEETING CALLED TO ORDER AT 7:00 p.m.

PLEDGE OF ALLEGIANCE

ROLL CALL: Commissioners answering roll call were Chair Joe Bruni, Vice Chair Laura Martin, Secretary/Treasurer David Gardella, Commissioner Larry Schear, and Commissioner James Terry. A quorum was present with Chair Joe Bruni presiding. Attorney Jeff Albinson, Fire Chief Sal D'Angelo, and Finance Director David Martin were also present.

ADDITIONS OR DELETIONS: None

DISCUSSION ITEMS:

1. 15-01 Revenue Discussion

Discussion: Chief D'Angelo explained that GSG has completed the financial study and he is now working with Lewis, Longman, and Walker to create the ballot question for the November 2016 election. He stated that GSG did a great job providing the tools he needed to educate the citizens in the District on the revenue diversification.

The Chief stated that he feels .5 mil (one-half mil) is an appropriate amount to move forward with regard to the capital infrastructure required for the 2017/18 fiscal year. This would generate approximately \$1.372 million. Projects for the first year of funding will include replacing Truck 28, as well as purchasing land in southern Indian Shores to build Station 26. As of today, replacing Truck 28, without equipment, will cost approximately \$1.2 million dollars; there are no steadfast numbers at this time for the Station 26 property. Chief D'Angelo explained that there is a legislative cap of 3 mil in the District Charter. He continued that there have been discussions with Lewis, Longman, and Walker, as well as with Beth Rawlins, Inc., regarding potentially reducing that amount to 2 or 2.5 mil.

Commissioner Schear asked how this compares to the millage rates of surrounding fire departments that use a similar financing structure. Chief D'Angelo stated that he believes that PSFRD is the only independent fire district in Pinellas County that currently levies only a non-ad valorem assessment, while others use a millage rate. Commissioner Schear stated that he recalled a discussion that he and the Chief had with members from another fire department in the state with a similar structure and asked the Chief if he could find that information. Chief D'Angelo stated that he will; he said that he also recalled the conversation, and it was with a member of a fire department in Manatee County. He said that he wants to make sure that they are comparing "apples to apples;" meaning, their service levels or demographics might be different than ours. He continued that he feels that it is important to be informed that there are other independent fire districts in Florida that have already accomplished using these two revenue streams.

Commissioner Schear asked if Truck 28 will be another extension unit, as he believes that there are three buildings in PSFRD's service area that are taller than the current truck. The Chief said that it will be, and they are currently researching specifications, and assured him that the purchase will provide the appropriate level of service for the District, years into the future.

Secretary/Treasurer Gardella stated that he feels starting with .25 mil (one-quarter mil) might be initially better well-received. Chief D'Angelo assured him that they would look into that.

Chairman Bruni stated that he felt it would be important to ensure that, whatever amount they choose, they are able to cover the cost of the new truck and all needed equipment. Chief D'Angelo mentioned that they had researched financing options for the apparatus, and determined the sooner it is paid off, the more money they will save long-term, which will ultimately be determined by what the millage rate is set at. Finance Director David Martin explained that when the engine was replaced in 2010, the additional equipment cost was approximately 10% of the purchase price of the truck.

Commissioner Terry inquired as to how long it typically takes for a ladder truck to be built after being ordered. Deputy Chief Matt Carpenter (who was in the audience) stated that it takes approximately 12 months. Commissioner Terry stated that it can be looked at, then, as having two years to come up with the money. He added that he understands that there are other costs to take into consideration other than the truck. Chief D'Angelo stated that he understands, and he wants to do what is in the best interest of the District.

There being no further business to come before the Board, the meeting was adjourned in due form at 7:14 p.m.

A motion to adjourn.

MOTION: COMMISSIONER SCHEAR SECOND: COMMISSIONER MARTIN
All in favor, motion passed unanimously.

REGULAR MEETING CALLED TO ORDER AT 7:14 p.m.

OATH OF OFFICE – John G. Mortellite II, Assistant Chief of EMS: Chief Sal D'Angelo performed the swearing in of John G. Mortellite II, who was recently promoted to Assistant Chief of EMS from his District Chief position.

ADDITIONS OR DELETIONS TO AGENDA: None.

MONTHLY BUSINESS:

- 1.** Approval of Minutes: • December 15, 2015, Regular Meeting

Discussion: None.

A motion to approve the minutes of the December 15, 2015, Regular Meeting.

MOTION: COMMISSIONER MARTIN SECOND: COMMISSIONER GARDELLA
All in favor, motion passed unanimously.

2. Treasurer's Report: December, 2015

Discussion: Secretary/Treasurer Gardella stated that all balance sheet accounts have been reconciled as of December 31, 2015. He continued with a list of the District's investments. The Unassigned Fund Balance is at 20.3 percent of total operating expenditures. The proposed budget deficit was originally \$390,600, but is now projected to be \$215,500, due to healthcare cost decreases and other cost management programs that are being adhered to.

A motion to approve the December, 2015, Treasurer's Report.

**MOTION: COMMISSIONER SCHEAR SECOND: COMMISSIONER MARTIN
All in favor, motion passed unanimously.**

3. Correspondence: There were four pieces of correspondence.

The first was a letter of thanks from the Bay Hills Homeowner's Association to Life Safety Inspector Marshall Eiss for dressing up as Santa last month and visiting the community.

The second was a letter from Ginger Lyle, recently retired Executive Assistant, to Chief Sal D'Angelo, thanking him for all that he has done while she worked for him.

The next was a Christmas card to the District from retired Chief Martin of Hudson Fire Department in New York, thanking the personnel for attending his wife's funeral at Calvary Episcopal Church.

The last piece of correspondence was a letter and certificate acknowledging the department's 100% participation in the National Fire Incident Reporting System (NFIRS) and the Florida Fire Incident Reporting System (FFIRS).

REMARKS FROM THE AUDIENCE (Non-Agenda Items): None.

REPORTS:

1. COMMISSION: Commissioner Terry stated that, this being his last meeting, he wanted to thank his fellow Board members for everything they have accomplished together over the years.

2. ATTORNEY: None.

3. CHIEF'S REPORT: Chief Sal D'Angelo began by thanking Commissioner Terry for his mentorship and institutional knowledge that he's passed on to him since becoming Fire Chief.

Chief D'Angelo stated that everything is going well operationally within the District with the recent structural changes. Right now, the focus is preparing for the 2016 CMEs.

The Chief discussed that there has been new construction within the District recently. In Belleair Beach, Belleair Shore, and Indian Rocks Beach, there are 15 single-family residences in various stages of completion. The Cove and Holiday Inn projects are still underway. In Indian Shores, Buildings 6 and 7 of Waterside are under construction, and there is a final occupancy inspection scheduled for Building 1; Dolphin Key, a 30 unit complex also in Indian Shores, is currently being built, as well as Onella, a 10 unit complex. He stated that he feels it is very important to remain informed about these projects, especially as the economy improves.

ACTION ITEMS

1. 15-07 EMS Public Records Request Regarding Legacy Departments – Forensic Audit Presentation by Henry Thomas - Vote

Discussion: Chief D'Angelo explained that Henry Thomas, who was hired by Lewis, Longman, and Walker, has completed a thorough audit regarding the EMS funding issue. Mr. Thomas distributed copies of the audit to the Board. Henry Thomas introduced himself as the Senior Vice President of the Public Resources Management Group, headquartered in Maitland, FL. He said that he considers this report a labor-driven "cost of service analysis." The report compares the actual cost of PSFRD's EMS services to the revenues that were allocated by the County EMS Authority over the last 7 years. Mr. Thomas reviewed the report with the commissioners. He stated that there was a lack of availability of some information from the County which hindered a couple years of data in the report. He said it was important to mention that Unit 28 was defunded in FY 2010, and Unit 26 was defunded in FY 2011. He explained that he was not able to get a template for 2010 from the County, nor was he able to receive an explanation for a significant increase in 2008 and 2009, which was then followed by a significant decrease. He determined the District's revenue requirements for FY 2010 through 2016 to be approximately \$10.4 million. The funding actually received by the Authority during that time period was \$5.3 million; a difference of \$5.1 million. He went on to discuss the cost of service for equipping and operating all 3 units, as the District intends to continue doing, is \$2.1 million per year. He explained that, to calculate revenue requirements, he used the information in the County's workbooks and added back in the direct staff cost based on average wages and salaries for the full-time equivalents. Mr. Thomas explained that when he calculated the numbers based upon the way the District funds its coverage versus the way the County had dictated to the District that it will be funded, there was a significant difference.

Attorney Kevin Hennessey with Lewis, Longman, and Walker, explained that his firm was tasked with determining what the District's options are regarding filing a lawsuit to recover the lost revenue. He further explained that he feels Mr. Thomas's expertise presented in his conservative report should help the Board decide if this is worth pursuing. He said he does believe it is, as well as having a very strong case. Discussion ensued regarding the process and possible scenarios.

Chief D'Angelo asked the Board if they had questions regarding the presentation, as he believes that now is the time to make a decision on how to proceed with this issue.

Commissioner Schear asked if he understood the verbiage in the Charter correctly, that states the District has the ability to provide service to the community as they see fit, and the County has a responsibility to compensate the District for EMS expenses incurred. Mr. Hennessey confirmed that he was correct, as long as the costs are considered "reasonable and customary."

Secretary/Treasurer Gardella asked what the status of the issue is at this time. Chief D'Angelo stated that he had met with 3 of the County Commissioners a few months ago and apprised them of the District's concerns. Mr. Hennessey also explained that Attorney Jennifer Cowan had also submitted a public records request with the County, and she has also had discussions with the County Attorney's Office. He explained that the County has recognized that certain mistakes have been made in their decision making regarding EMS funding.

Secretary/Treasurer Gardella inquired as to how long of a process this might be and what kind of expense they could expect. Mr. Hennessey explained that the length of time can vary greatly.

Commissioner Terry stated that he feels there are two main issues: The first being that the County arbitrarily defunded two of the District's units without the authority to do so, and secondly, even when they did fully fund the units, they were not funding them properly. Mr. Hennessey stated, from a legal standpoint, that he feels the County was under the assumption that they could fund the District in any way they see fit, due to PSFRD being a special district as opposed to a municipality.

With regard to prior funding, Mr. Turner explained that he has not been able to look at the funding templates for other fire departments throughout Pinellas County, so he cannot confirm if PSFRD was treated differently; however, the basis at which they arrived at their funding did not reflect how the District staffs its units, and he did not find on record where at any time did the County state that they felt PSFRD was not providing service in a reasonable or customary manner.

Commissioner Schear asked what the cost might be if they decide to pursue this. Mr. Hennessy explained that the Board is able to control litigation, and while there is no strategy at this time to know exactly what course of action would be taken, he feels that anyone in a situation pursuing litigation should budget, at a minimum, \$50,000. He also stated that he feels that the groundwork has been laid so that both agencies should be willing to approach an intergovernmental dispute resolution process as opposed to becoming involved in a heavy level of litigation.

A motion to pursue an intergovernmental dispute resolution to recover EMS revenue from the Pinellas County Emergency Medical Services (EMS) Authority.

**MOTION: COMMISSIONER TERRY SECOND: COMMISSIONER SCHEAR
All in favor, motion passed unanimously.**

2. 15-11 Collection of Impact Fee - Holiday Inn - Update from Kevin Hennessy

Discussion: Mr. Hennessy updated the Board on the process between the District and Holiday Inn. He explained that a lawsuit was filed on behalf of PSFRD to collect unpaid impact fees from Holiday Inn. Holiday Inn hired a law firm and filed a counterclaim to seek damages from PSFRD, claiming that the impact fees are an illegal exaction.

He explained that the laws of exaction specifically state that a legal tax cannot be an exaction. PSFRD is granted authority under its Charter, as well as existing Florida law, to assess impact fees. The issue with this is that it has the potential to cause confusion to those who may not be very familiar with that area of the law, so there will need to be a process of education. He said that his firm filed a motion to dismiss their counterclaim, which the judge partially granted. Holiday Inn's attorney will have the opportunity to file an amended counterclaim, if they can better state their claim, within 30 days. In the interim, the judge has ordered both parties to attend mediation. Mediation has been scheduled for 9:00 a.m. on February 9, 2016. He recommended that both the Fire Chief and one member to represent the Board attend the mediation. Chief D'Angelo added that the mediation will be held at Belleair Beach City Hall. Mr. Hennessy stated that the mediator will be Former Judge Greer. Secretary/Treasurer Gardella volunteered to attend the mediation with Chief D'Angelo.

3. 16-01 Public Facilities Report

Discussion: Chief D'Angelo stated that the Public Facilities Report is a summary of the District's facilities and is completed every year per Florida Statute, Chapter 189.415.

A motion to approve the Public Facilities Report, pursuant to Chapter 189.415 of the Florida Statute.

**MOTION: COMMISSIONER SCHEAR SECOND: COMMISSIONER MARTIN
All in favor, motion passed unanimously.**

4. 16-02 Vote to Change March, 2016 Meeting Date – Scheduling Conflict Due to Presidential Primary

Discussion: Kim Fugate explained that the Indian Shores Municipal Center will be used as a voting precinct the evening of the Board of Fire Commissioners meeting scheduled for Tuesday, March 15, 2016. Discussion ensued regarding rescheduling the meeting to Wednesday, March 16, 2016.

A motion to reschedule the Board of Fire Commissioners Tuesday, March 15, 2016 meeting date to Wednesday, March 16, 2016.

**MOTION: COMMISSIONER GARDELLA SECOND: COMMISSIONER MARTIN
All in favor, motion passed unanimously.**

5. 15-21a. Vacant Seat 5, Mainland – Vote

A motion to appoint Louis R. Snelling IV to the Seat 5, Mainland position, to serve the remainder of the term pursuant to the PSFRD Charter.

**MOTION: COMMISSIONER MARTIN SECOND: COMMISSIONER TERRY
All in favor, motion passed unanimously.**

15-21b. Oath of Office – New Seat 5 Commissioner

Chief Sal D'Angelo performed the swearing in of Louis R. Snelling IV as representative for Seat 5, Mainland area, for the Pinellas Suncoast Fire & Rescue District, Board of Fire Commissioners.

A motion to adjourn.

**MOTION: COMMISSIONER MARTIN SECOND: COMMISSIONER GARDELLA
All in favor, motion passed unanimously.**


There being no further business to come before the Board, the meeting was adjourned in due form at 8:15 p.m.

APPROVED:

ATTEST:


Joseph V. Bruni, Chair

2/16/16
Date Approved


Kimberly G. Fugate Executive Assistant