Mayor Infeld called the special meeting to order at 5:30 p.m.

Roll Call: Present: Ms. Frankie B. Goldberg  
Mr. Phillip Ertel  
Mrs. Susan D. Pardee  
Mrs. Adele H. Zucker  
Mrs. Pamela Cameron

Absent: Mr. Steven Sims  
Mr. Thomas A. Cozzens

Also Present: Clerk of Council Nancy E. English  
Acting Law Director Dennis A. Nevar  
Interim Finance Director Anthony L. Ianiro  
Chief of Police Steven Hammett  
Interim Fire Chief David Rodney

MOTION BY MR. ERTEL, SECONDED BY MRS. ZUCKER to excuse the absence of Mr. Cozzens and Mr. Sims. On roll call, all voted “aye”.

Agenda Item:

A. Proposal to perform a study on the possibility of a shared initiative for fire services between the Cities of Shaker Heights and University Heights, presented by Philip Kouwe, Senior Vice President of Operations for Emergency Services Consulting International.

Mayor Infeld stated that the Council will hear from Mr. Philip Kouwe, Senior Vice President of Operations, Emergency Services Consulting International, regarding a proposal to conduct a Fire Service Feasibility Study between the Cities of University Heights and Shaker Heights. Mr. Kouwe will make a second presentation at the Shaker Heights Council following this meeting. The Mayor reported that Shaker Heights and University Heights applied to the Cleveland Foundation for a grant to conduct a feasibility study for cooperative municipal services between the two cities related to fire service. A $40,000 grant was awarded, of which, $25,000 would go toward the feasibility study. A required match was paid by both cities; $8,000 by University Heights and $17,000 by Shaker Heights. The contributory amounts were proportional to each city’s population. In addition, the Cleveland Foundation granted the cities $15,000 toward the implementation of the plan.

Mr. Kouwe explained that Emergency Services Consulting International only does public safety consulting. The company is headquartered in Oregon with a satellite office in North Carolina. Mr. Kouwe is from the North Carolina office, which will be handling this study.

The project will look for ways to become more efficient and more effective in delivering emergency services. Though driven by the current economy, cities may find through cooperation that they can deliver even better quality emergency services. It is not always a question of merging, but also of sharing services. The City has already experienced combining the function of dispatch services.

Mr. Kouwe said the question that drives the study is “What is in the best interest of the people we serve?” The feasibility “Litmus Test” will determine whether the City can deliver current levels of service at a reduced cost or deliver improved levels of service at similar cost. It must show either operational or financial benefits. The study will help show what the impact is on service delivery as well as the financial impact of the options set forth.

The study begin will with baseline departmental evaluations of the two fire departments separately. The second part of the study is an analysis of opportunities for cooperation.

With regard to the baseline departmental evaluations, the study will look at each city’s fire department to see what issues each may face and what the departments may have in common. It will answer the questions, “Are there areas where the departments have common issues they may be able to assess and correct in consolidation or cooperation? Are there strengths in one department that might aid a weakness in the other department?”
The study project methodology will consist of:

a. Data gathering for both departments and meeting with fire officials, firemen, union members, council members, finance directors, and other stakeholders in the fire operation.

b. Conducting an analysis of existing resources and system performance.

c. Present an interim draft.

d. Develop feasible options for regionalization and cooperative efforts.

e. A time for public input.

f. Making a financial analysis and projection of costs.

g. Presenting a draft followed by the final report.

Looking at each department individually, the baseline monitoring will consist of an organization overview; an evaluation of management; a review of staffing and personnel management; an evaluation of fire stations and fire equipment; a detailed look at service delivery and performance; and support programs, such as code enforcement.

Mr. Kouwe stated that when the City is looking at consolidation, merger or even functional consolidation, the City will be looking at ways it can change resources, including equipment and staffing, to better its performance, concentration and reliability. Looking at performance, the consultant will use the standard of cover process, which is the industry best practices in analyzing service delivery, which is also is used for accreditation. The study looks at concentration, such as where the demand for services comes from and what time of day, in order to determine if the fire resources are distributed where the demand is. Reliability looks at times when there may be multiple calls in one or both cities to find out if resources are being depleted. It also looks at response time and if consolidation would help in this area. The study will examine the departments in University Heights, Shaker Heights and surrounding communities.

The study then considers what a merger, consolidation, or functional consolidation between the two cities would look like. At this point, the public will have an opportunity to discuss the purpose and intent of the study; review baseline findings of the existing situation; discuss common critical issues, gaps and redundancies; assess public priorities and expectations; address public concerns and provide an opportunity to be heard.

After citizen input, the consultant will look at the options. The area in question will be reviewed without the traditional city boundaries to determine if there is a more efficient and cost effective way to organize the fire service cooperatively. They will look at long-term deployment options for facilities, apparatus, and staff and develop an organizational strategy that looks at service potential and cooperative service opportunities. Finally, funding strategy options of governance and revenue options will be developed.

In the analysis of options, the consultant will design service models from an operational standpoint; then specify the assumptions that will be used in that model; identify any challenges specific to that option; and compare the outcomes to the baseline. The consultant will look at how the situation will change from what the City has now, operationally, financially and subjectively. Then they will identify the preferred options, recommend regional policy, and recommend short-, medium- and long-term strategies.

Questions and Answers

Vice Mayor Goldberg asked if the company has worked with other cities in the Midwest. Mr. Kouwe replied he has worked with the West Shore Council of Governments which involved eight (8) cities in Ohio. He has also worked with Perry Township and Eastern Lake County Fire Chiefs, on a boundary drop concept, not a consolidation, just to name a few. Other consolidation studies were done in Michigan, Illinois and Minnesota.

Mrs. Pardee asked how some of these cities are doing, especially those with population of about 40,000. Mr. Kouwe responded that the West Shore Council cities have moved from feasibility to implementation. This process could take a year to two (2) years to implement. They have begun some functional cooperation, but are still looking to create a regional fire department. He also noted that two (2) communities in Minnesota are moving forward. Some cities in Michigan have implemented and are still going strong. On the other hand, he also mentioned that a 5-city consolidation study in University Heights, Missouri did not implement and 3 of the cities dropped out.
Mr. Kouwe stated that merger is not always the answer, there are other options. But, a merger among smaller fire departments could create a larger department that could easily provide additional services, such code enforcement, fire prevention, training and inspection.

Councilwoman Pardee inquired as to the definitions of functional and operational consolidation. Mr. Kouwe explained that communication, maintenance, training, fire prevention and education are functions that allow the fire department to perform the services the public expects. The study will explore whether one or more functions can be successfully performed cooperatively, even if a merger or full consolidation is not feasible. Operational consolidation means two fire departments come together and act as one department. There are certain legal differences between a merger and consolidation. In an operational consolidation, though the departments operate together, they are still two separate entities. One city still owns its equipment, as does the other city. In a merger, there is only one department, one legal entity, manifested through intergovernmental agreements.

Councilwoman Pardee asked if the study would take five (5) to six (6) months to complete. The consultant answered affirmatively. The City will receive an analysis of its fire department operations and suggestions on how to save money regardless of whether there is a merger, consolidation or a functional consolidation.

Councilwoman Cameron inquired if there are services that a small department is best able to provide. Mr. Kouwe replied that in small departments some functions may struggle because they are carried out by people wearing multiple hats. Sometimes these functions can be helped by consolidation and cooperation.

Firefighter Bob Perko asked what measurement standards are used for staffing, stations and equipment. Mr. Kouwe responded that the national standards, national numbers and regional numbers are compared against other cities of similar population. In the proposed study, they will consider current resources and the best ways to use them.

Vice Mayor Goldberg inquired as to what happens when the public or personnel do not want to consider merger or consolidation. Mr. Kouwe replied that will be addressed in the public input part of the study. He noted that they have to clarify the concern and accommodate it. He added that often it comes down to five (5) issues: turf, power, politics, control, and money. Therefore, those issues must be addressed in the public meetings and though the analysis.

Vice Mayor Goldberg also asked if the consultant will come back after the study is finished as a follow-up. Mr. Kouwe replied that is not part of the present proposal, but the company could be hired to do additional work. The Mayor stated the study will end with the findings, recommendations and implementation plan.

Councilwoman Pardee inquired as to whom is the contact person in each city. Mayor Infeld replied that each city will operate separately during the study. The Mayor and Fire Chief will be the contacts for University Heights and in Shaker Heights the contact person is Chief Administrative Officer Jeri Chakin.

In response to a question by Firefighter Matt Matlak, Mr. Kouwe stated that it is not unusual for consolidation to begin with two (2) or three (3) cities, then enlarge and become regional. He added that if governance is set up correctly, new cities joining the consolidation can be accommodated. Mayor Infeld stated that the grant was requested because University Heights and Shaker Heights are similar. She noted that it is possible the cities’ cooperation could become a county-wide model.

Firefighter Michael Ceraolo asked what if other cities want to participate in the study. The Mayor replied that University Heights and Shaker Heights must honor the commitment made to the Cleveland Foundation, which awarded the grant to the two cities. Mr. Kouwe mentioned it would be possible to add on cities later, after the study is finished.

Fire Lt. Peter Pucella asked what happens when consolidation saves money for one city and increases costs for the other city. Mr. Kouwe replied that sometimes that is the result of the financial analysis. He noted that there can be several models for governance for consolidation or merger that can be used to calculate which city pays what money for consolidation. Sometimes population or square miles can be factored in, as well as assessed value and other elements. The study would provide several governance models to show what the costs to each city would look like. A huge part of implementing consolidation is determining the formula to be created to distribute costs between the two cities.
Councilwoman Cameron inquired if the study would mention aspects of the City’s fire department that were not up to standards. Mr. Kouwe responded, yes, because they look at a potential merger like a business where they go through a disclosure process and the entities have a right to review each other’s books, assets, etc.

The Mayor mentioned that Mr. Kouwe would be going to Shaker Heights next to make the same presentation. She also noted that Shaker Heights was the lead applicant on the grant. Therefore, they will be the legal agency entering into the contract with Emergency Services Consulting International.

There being no further business to discuss, the meeting was adjourned.

Mayor Susan K. Infeld

Nancy E. English, Clerk of Council