



City of Sausalito – Southern Marin Fire Protection District Annexation: Facts and Frequently Asked Questions (FAQs)



How We Got Here

The City of Sausalito and the Southern Marin Fire Protection District began sharing services through a Joint Powers Agreement in 2004. In this agreement the City and the District shared management services and personnel. In 2006 the City and the District entered into a contract for the Fire District to manage all aspects of the City's Fire Department. This contract allowed the City to eliminate five (5) redundant fire department positions and pocket the savings (the City had already eliminated 1 other position 3 years earlier). Since 2006 the Fire District has been running the City's Fire Department. The City retained 15 employees who operate under the direction of the Fire District's management staff.

Governed by a formal contract between the City and Fire Protection District, this partnership has proven to be highly effective in keeping Sausalito residents and businesses safe. Indeed, many residents today may not even be aware that their fire and emergency services are provided under the day-to-day supervision of the Fire Protection District.

Despite the success of the current model, it has become outdated in the face of changing state and federal standards which require certain levels of firefighter staffing, training and supervision to ensure a safe and adequate response to fires and other emergencies.

In addition, the current contract no longer reflects the full scope and cost of services that the Fire Protection District provides to the residents and businesses of Sausalito, with an annual gap of almost \$395,000 between what the City pays and SMFPD's costs to provide the level of supervision even now provided for City fire and emergency services .

In 2009, the City and the Fire District agreed to jointly fund a study of alternatives to move forward to meet both agencies' needs. Citygate Associates, a well-known government consulting firm, was contracted to provide this study. The study, which included input and review by both City and District management, financial advisors, line personnel and elected officials concluded that annexation of the City into the Fire District provided the most efficient, cost effective and greatest long term stability of any of the options available.

The City Council and the Fire District Board both voted to retain Citygate Associates in early 2011 to help vet and refine the financial and administrative details of the annexation process. On September 13th, the City Council voted to submit the annexation application to LAFCO (Local Agency Formation Commission).

Key Facts

- Annexation into the Fire District will save the City \$184,000 per year.
- Annexation will place all employees under a single contract eliminating dual contract issues.
- Annexation provides for long-term stability for both agencies and employees.
- Annexation eliminates duplication of administrative functions.
- Annexation makes permanent the following efficiencies: delivery of fire protection, paramedic and ambulance service, hazardous materials response, rescue and all aspects of fire service response.
- Annexation provides Sausalito residents their first opportunity to elect representatives to the Fire District Board.

Frequently Asked Questions (FAQs)

Will this increase my taxes?

No. The annexation is achieved by shifting existing property taxes from the City to the District. The amount of property tax being shifted to the District is less than the City is now using to pay for its fire services, resulting in a savings to the City.

Will this change the level of service that I receive?

No. There will be absolutely no change in the delivery of service to the Sausalito residents, or any residents of Southern Marin.

Will my local firefighters be replaced by outside firefighters?

No. The exact same firefighters will be assigned in your station after annexation as are there now.

Why can't we continue with the current arrangement?

Under the current arrangement, the fee for service paid to the Fire District by the City is substantially below the actual value of the services (this was well documented in the Citygate Study). The City had a great deal, but it's no longer tenable.

Additionally, firefighters work for two separate agencies, under two separate contracts, two separate payroll systems, two separate grievance procedures, two separate disciplinary processes, etc... This makes managing employees extremely difficult and adds to management expenses.

Why isn't the Fire District interested in entering into a new contract or JPA (Joint Powers Agreement)?

The Fire District is interested in pursuing the option that makes the most sense operationally, financially and provides for the greatest long-term stability. Entering into a contract or JPA would cost Sausalito taxpayers about \$700,000

more per year than annexation and it would provide little guarantee of stability. The contract or JPA could even be terminated by a 3-2 vote of the City Council.

Couldn't Sausalito just go back to running its own Fire Department?

Yes, but it would cost approximately \$1.4 million dollars more than the current cost, and require a tax increase of about \$400/year per parcel.

What happened to the \$90 parcel tax?

Originally, a \$90 parcel tax was being considered to create uniformity throughout the Fire District and to generate more revenue savings for the city. After all of the negotiations with the between the City, the District and the Firefighter's Union were complete, and the actuarials were complete, staff determined that we could make the annexation successful without requiring a parcel tax.

Does annexation require a vote of the residents of Sausalito? Do I, as a resident, get to vote on annexation?

There was never a vote specifically about annexation. The vote that was talked about was a vote on the parcel tax. Because the parcel tax is not needed, there will not be a vote on the financial aspects of the annexation. Residents still have the ability to express their wishes through the LAFCO annexation process. Residents who oppose the annexation may file a protest vote. If 25% of the registered voters or 25% of the property owners file protest votes, the question of annexation will be put to an election.

Also note that, if annexation is approved, this is the first time Sausalito residents can vote for their own representative to the Fire Protection District Board.

Why doesn't the City just put the annexation on the ballot?

The City and Fire District hired an independent public opinion firm that did a poll which determined that 62% of the public favored annexation. Only 19% opposed the annexation. Placing the question on the ballot would cost approximately \$40,000 and would still only be an advisory vote because approval or disapproval of the annexation application is done through the LAFCO process as spelled out in State Law. An election would only occur if there were sufficient protests filed during the LAFCO process. Given the more than 3-to-1 residential support in favor, Staff recommended that the Council could save limited taxpayer dollars by not incurring the cost of an election clearly expected to be supportive of annexation.

Are the Sausalito taxpayers subsidizing the Fire District unfunded pension liability?

No. The overall cost of fire service for the city is reduced and the proportion of unfunded pension liability attributed to the City after annexation is actually less than it would be without annexation. Sausalito taxpayer liability will not be affected negatively by annexation.

Does the Fire District have "binding arbitration" for salaries and benefits in its contract with its employees?

No, this is widely misunderstood. The Fire District has binding arbitration for its grievance procedure only. The grievance procedure is invoked when an employee feels that he/she has been treated unfairly or has not been given due process. Binding arbitration is the final remedy in the grievance procedure. It provides the District and the employee a resolution without having to go to court and incurring costly legal fees. In fact, it has never been used locally.

How are Fire District Board members elected?

Like any other elected official, they file for candidacy through the Marin County Elections Office and run for election. Board members are elected “at large” from within the District. The Fire District Board is made up of seven members. There are currently three retired firefighters (Novato, Berkeley & San Francisco) and one current firefighter (San Francisco) on the Board. Being a firefighter isn’t required, but like any professional service board, voters tend to favor experts in the field.

Is having firefighters on the Board a conflict of interest?

Marin County Counsel’s Office reviews all contracts, personnel matters and acts as legal counsel to the District. Marin County Counsels Office has found no conflict of interest. Further, the Board has never had any firefighter serve on the Board’s Personnel Committee (the committee that negotiates with District firefighters). That said, it’s a public process, and if there ever were an appearance of conflict, complaints can be taken to the DA and it could be an issue of contention in the next election. The DA and/or voters have the final say.