

RESOLUTION NO. 2022-63

A Resolution Authorizing Submission of and Supporting A Petition for Formation of a new Fire District Pursuant to ORS 198.800 to ORS 198. and a Ballot Measure for the Formation of McMinnville Fire District.

RECITALS:

Whereas, the City of McMinnville Fire Department provides fire and ambulance services to the City of McMinnville, Oregon, a municipal corporation of the State of Oregon; and

Whereas, the McMinnville Fire Department and, the McMinnville Rural Fire Protection District (the "Existing District"); have a singular and coordinated operations system to provide efficient and effective fire protection and emergency medical services within their respective municipal and rural fire district; and

Whereas, the City of McMinnville and the McMinnville Rural Fire Protection District (the "Existing Areas") desire to consolidate their operations and governing structures by the dissolution of the Existing District and the formation of a new protection fire district to be known as the McMinnville Fire District; and

Whereas, the Boards of Directors of the McMinnville Rural Fire Protection District intends to initiate a measure for voter approval of dissolution of the Existing District conditioned on simultaneous voter approval of the formation of the McMinnville Fire District; and

Whereas, the Board of the McMinnville Rural Fire Protection District has communicated to the City that it intends to propose a Plan of Dissolution and Liquidation which would convey all, assets, and liabilities of the Existing District to the McMinnville Fire District ensuring the reserve transferred at the time of creation of the New District be used for the exclusive purpose of building a future rural substation(s) that will clearly and unequivocally benefit the residents of the prior "Rural District" ; and

Whereas, The City of McMinnville intends, upon formation of the McMinnville Fire District, to convey all McMinnville Fire Department personal property, vehicles, equipment, supplies, fire department liabilities, ambulance billing revenue and Volunteer LOSAP plan funds and the Main One Fire Station real property and all fire station improvements to the McMinnville Fire District. The City of McMinnville additionally intends to lease the existing McMinnville Fire Department Training area to the McMinnville Fire District for \$1.00 per year for ninety-nine (99) years; and

Whereas, Subject to the provisions of ORS 236.605 to 236.640, the employees of the City of McMinnville Fire Department shall be transferred to the McMinnville Fire District; and

Whereas, the Yamhill County Board of Commissioners has the authority pursuant to ORS 198.795 to 198.820 to approve an Order for Formation of the McMinnville Fire District providing for an election of the electors of the proposed McMinnville Fire District on the question of formation of the proposed district and the adoption of a permanent rate limit for operating taxes for the proposed McMinnville Fire District t; and

Whereas, the Oregon Constitution limits the general government tax rate on real property to \$10 per \$1,000 of assessed value and the general governmental tax rate in the City of McMinnville for fiscal year 2021-2022 is \$7.7596 per \$1,000 of assessed value ; and

Whereas, the attached Petition proposes a permanent tax rate for the proposed McMinnville Fire District of \$2.00 per \$1,000 of assessed value; and if the formation of the McMinnville Fire District had been undertaken prior to the current tax year the general government tax rate for McMinnville would be \$9.7596 per \$1,000 of assessed value and would not have caused compression of the general government tax rates for properties located within the City of McMinnville ; and

Whereas, the Yamhill County Commissioners have the statutory authority to approve an Order for Formation of the McMinnville Fire District and submit to the electors a Ballot Measure on the question of formation of the McMinnville Fire District; and

Whereas, the boundary of the proposed McMinnville Fire District is described on the Petition attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF McMINNVILLE, OREGON, as follows:

1. The City of McMinnville, Oregon hereby approves and authorizes submission of the attached Petition for Formation of the McMinnville Fire District to the Yamhill County Board of Commissioners requesting Board action to initiate the formation of the McMinnville Fire District.
2. The Mayor of the City of McMinnville is hereby authorized to sign the attached Petition on behalf of the City of McMinnville.
3. The City Recorder of the City of McMinnville, Oregon shall provide a certified copy of this Resolution and original Petition to the Yamhill County Board of Commissioners forthwith.

Adopted by the Common Council of the City of McMinnville at a regular meeting held the 11th day of October, 2022 by the following votes:

Ayes: Geary, Garvin, Menke, Peralta, Chenoweth, Payne

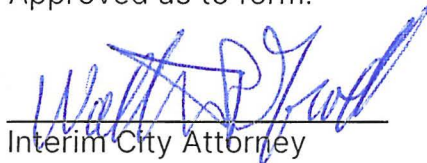
Nays: _____

Approved this 11th day of October 2022.



INTERIM MAYOR

Approved as to form:



Interim City Attorney

Attest:



City Recorder

PROSPECTIVE PETITION

Petition to the Yamhill County Board of Commissioners for the Formation of a Rural Fire Protection District

The City of McMinnville, by resolution of the City Council, hereby petitions the Yamhill County Board of Commissioners, pursuant to ORS 198.835, to initiate the formation of a rural fire protection district organized under ORS Chapter 478.

- 1 This Petition is filed pursuant to ORS 198.705 to 198.955 and ORS Chapter 478.
- 2 The name and principal act of all affected districts and counties are:
 - Yamhill County — ORS Chapter 201 through ORS Chapter 215
 - Chemeketa Community College - ORS Chapter 341
 - Chemeketa Regional Library — ORS 357.417
 - Willamette ESD-- ORS Chapter 334
 - Yamhill County Soil & Water Conservation District — ORS Chapter 568
 - Ash Creek Water Control District — ORS Chapter 553
 - McMinnville School District - ORS Chapter 332
 - Yamhill Carlton School District - ORS Chapter 332
 - Amity School District - ORS Chapter 332
 - Yamhill County Transit District – ORS Chapter 267
 - Yamhill County Extension Services - ORS Chapter 451
- 3 This is a proposal for the formation of a rural fire protection district, the principal act of which is Chapter 478 of the Oregon Revised Statutes.
- 4 The Board of Directors of the proposed District will be elected and will consist of five (5) members elected at large.
- 5 The legal description of the proposed District is shown on Exhibit "A", attached to this Petition, and is depicted on the included map.
- 6 The territory of the proposed District is inhabited.
- 7 The name of the proposed District is the **McMinnville Fire District**.
- 8 The proposed permanent tax rate for operating taxes sufficient to support the services and functions described in the Economic Feasibility Statement for the proposed District is \$2.00 per one thousand dollars (\$1,000) of assessed valuation.

PROSPECTIVE PETITION

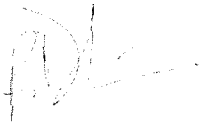
9. The proposed formation is subject to the following proposed terms and conditions:
 - a. Formation of the Fire District is subject to the public hearing process with the County Board specified in ORS 198.800, et seq.
 - b. Formation of the Fire District is subject to the voter approval, with the questions presented at the May 16, 2023, election.
 - c. Formation of the Fire District is subject to the concurrent voter approval of the dissolution of the existing McMinnville Rural Fire District.
 - d. Effective Date: The order forming Fire District will take effect on June 30, 2023, at 11:30 p.m. PST.
 - e. Employees: Subject to the provisions of ORS 236.605 to 236.640, the employees of the City of McMinnville Fire Department shall be transferred to Fire District.
 - f. Asset Transfer: All real and personal property and other assets of the McMinnville Rural Fire District and those assets of the City of McMinnville necessary for provision of fire and EMS services shall be transferred to and become the property of Fire District including transfer of the main fire station and a lease of the fire training area for a period of 99 years.
 - g. Debt Distribution: The Fire District will assume all fire protection related debt obligations of the City of McMinnville Fire Department and McMinnville Rural Fire Protection District. The City of McMinnville has an outstanding municipal loan for \$588,000 for fire apparatus. No other long term debt obligations will be assumed by the new district.
10. The Economic Feasibility Statement required by ORS 198.749 is attached hereto as Exhibit "B".
11. A portion of the proposed District is within the boundaries of a forest protection district established pursuant to ORS Chapter 477. Pursuant to ORS 478.150, the petitioners have conferred with the Oregon State Forestry Department in determining the boundaries and lands to be included within the proposed District. Petitioners will work with the Oregon State Forestry Department to obtain final approval of the boundaries and lands to be included within the proposed District.
12. The boundary of the proposed District includes the City of McMinnville. As required by ORS 198.720, the Resolution of the City of McMinnville approving the formation of the proposed District is made in conjunction with this petition. The City of McMinnville is the only incorporated city within the boundary of the

PROSPECTIVE PETITION

proposed District. City consideration and approval by resolution of the final Order of the County Board will occur contemporaneously with the County process, and must be attached to the County's Order.

13. The petitioners request that proceedings for the formation of the Fire District proceed.

DATED this 11th day of October 2022.



Remy Drabkin, Mayor

EXHIBIT A – LEGAL DESCRIPTION

Legal Description For:
McMinnville Fire District
Resultant Boundary as Modified
By ORDER NO. 76-174

Beginning at the Southeast corner of the Carlton Rural Fire District in the Northeast one-quarter of Section 1, Township 4 South, Range 4 West of the Willamette Meridian, Oregon; and running thence:

West with South line of said Carlton District to and along County road 70.0 chains to angle in road;
thence Northwesterly along County road and over bridge 15.0 chains to angle in road;
thence Westerly and Southwesterly along road 85.0 chains to the center of State Highway No. 47;
thence Northwesterly following center of State Road No. 47, 72.0 chains to the North line of the J. W. Carse property, said point being 128.0 chains South of Main Street in the City of Carlton, Oregon;
thence West 85.0 chains to the center of the North Yamhill river;
thence Northerly following center of North Yamhill river to where said river intersects the East line of the J. W. Shelton D.L.C.;
thence North 15.0 chains;
thence West 35.0 chains to a County road;
thence North 3.0 chains to angle in County Road;
thence West along County road 40.0 chains to intersection of roads;
thence South 16.0 chains to angle in road;
thence West along County road 100.0 chains more or less to the Southeast corner of the August Romike property;
thence North 12.0 chains to angle in Romike property;
thence West 6.00 chains to angle in Romike property;
thence North 28.0 chains to the Northeast corner of Romike property and the South line of the W. L. Adams D.L.C.;
thence South 82° 00' West along South line of the Adams D.L.C., 40.0 chains to angle in South boundary of said Claim;
thence North 77° 00' West along South boundary of Adams Claim, 25.0 chains to the line between Sections 25 and 26 in Township 3 South, Range 5 West;
thence South along Section line, 81.0 chains to the 1/4 post between Sections 35 and 36;
thence West 80.0 chains to the 1/4 post between Sections 34 and 35;
thence South 20.0 chains to the Northeast corner of the Howard Bixler land;
thence West 80.0 chains to the Section line between Sections 33 and 34;
thence South 50.0 chains along Section line to where the Section line between Sections 3 and 4 crosses the County road;
thence Southeasterly following County road approximately 40.0 chains to where county road crosses section line between Sections 3 and 10, in Township 4 South, Range 5 West, and being an angle corner of the Forrest Fire Patrol District;
thence West 60.0 chains to the 1/4 post between Sections 4 and 9;
thence South 40.0 chains to the center of Section 9;
thence West 40.0 chains to the 1/4 post between Sections 8 and 9;
thence South 40.0 chains to the southeast corner of Section 8;
thence West 40.00 chains to the 1/4 post between Sections 8 and 17;

EXHIBIT A – LEGAL DESCRIPTION

thence South 40.0 chains to the center of Section 17;
thence West 40.0 chains to the 1/4 post between Sections 17 and 18;
thence South 60.0 chains;
thence East 40.0 chains to an angle in county road 20 chains South of the 1/4 post on the North line of Section 20 in Township 4 South, Range 5 West;
thence following county road Easterly and Southerly approximately 1-3/4 miles to the line between Sections 21 and 22;
thence South 90.0 chains to the southeast corner of Section 28;
thence West 100.0 chains to where Section line intersects the North line of the R. C. Combs D.L.C.;
thence North 60° 45' West along North line of the Combs Claim, 13.0 chains to the northwest corner of said Combs Claim;
thence South 21° 30' West with West line of said Combs claim, 81.0 chains to the S. W. corner of said Combs claim;
thence South 60° 45' East along South line of Combs claim and extending to County road, approximately 82.0 chains and being the Northeast corner of the Sheridan Rural Fire Patrol District;
thence Southerly along county road and the East line of the Sheridan District, 90.0 chains to the Southerly line of the James Coleman D.L.C.;
thence South 54° 00' East along said Claim line 15.0 chains to the Southerly corner of said Coleman claim;
thence South 38.0 chains to the southwest corner of Lot #7 of Section 9 in Township 5 South, Range 5 West, and the S. W. corner of Dave Waddell property;
thence East 40.0 chains to the southeast corner of the Waddell property;
thence North 40.0 chains to the East and West center line of Section 9;
thence East 28.0 chains to the 1/4 post between Sections 9 and 10;
thence North 20.0 chains;
thence East 20.0 chains;
thence South 84.0 chains to the North line of the Andrew Baker claim;
thence East 12.0 chains to the northeast corner of the Andrew Baker D.L.C.;
thence South 48.0 chains to the S. E. corner of the Andrew Baker D.L.C.;
thence Easterly along the county road approximately 70.0 chains to the intersection of county roads;
thence East along the north line of the Robert Henderson D.L.C. 49.56 chains more or less to the northeast corner of said claim;
thence South along the East line of the Henderson Claim to the section line between Sections 23 and 14 in Township 5 South, Range 5 West;
thence East along said section line between Sections 23 and 14, and Sections 13 and 24, Township 5 South, Range 5 West to a point in the center of the South Yamhill River;
thence Northerly following the center of the South Yamhill River to the west line of the A. E. Garrison D.L.C. at a point which bears North 23° West 23 chains from the southwest corner of said claim;
thence North 23° West along the west line of said Garrison D.L.C., to the Northwest Corner of said Garrison claim;
thence North 62° East along the North line of said Garrison claim to the west line of the John Monroe D.L.C.;
thence North along the west line of said Monroe claim to the south line of Lot 6 of County Survey No. 2476;
thence East along the south line of Lot 6, 837.41 feet to the Southeast Corner of Lot 6, also being the Southwest corner of Lot 5 of said County Survey No. 2476;

EXHIBIT A – LEGAL DESCRIPTION

thence North 1456.82 feet to the Northwest corner of said Lot 5, said point also being the northwest corner of that tract conveyed to Yamhill County as recorded in Film Volume 83, Page 8788, Deed and Mortgage Records, said point also being on the North Line of said Monroe Claim;

thence East along the North line of said Monroe claim to a point in the center of the South Yamhill River;

thence Easterly along the center of the South Yamhill River to the Northeast corner of said Yamhill County tract, said point being on the west line of the John William Crawford and Viola M. Crawford property as recorded in Film Volume 47, Page 1347, Deed and Mortgage Records;

thence North along said west line to the Northwest corner of said Crawford property, said point being on the North line of said Monroe claim;

thence South 88°41'48" East 115.69 feet along said north line;

thence North 49°28' East 23.55 chains to the most Northerly northeast corner of the Elmer E. and Hazell Shaver Property;

thence East along the north line of said Shaver property and along the section line between Section 6 and Section 7, Township 5 South, Range 4 West, being the north line of the McPhillips Farm, Inc. Property, 59.00 chains to the west line of U.S. Lot 3 of Section 6, Township 5 South, Range 4 West;

thence North along the West line of said Lot 3 to the Northwest corner thereof;

thence East along the North line of said Lot 3 to the Northeast corner thereof;

thence South along the East line of said Lot 3 and the West line of the William Garrison D.L.C to the intersection with the center of Salt Creek;

thence in a Southeasterly direction down the meanderings of the center of Salt Creek to the West line of the Maude Kneedler Robbins Tract as recorded in Volume 170, Page 670, Deed and Mortgage Records in and for Yamhill County;

thence North 8° East along the West line of the said Robbins Tract to the intersection with the West line of the Southern Pacific Railroad;

thence Southeasterly along the West line of said Railroad to the Westerly extension of the North line of the Lois M. and Huron W. Clough Tract, also being the South Line of Yamhill Street of Whites Addition to Whiteson;

thence South 89° 22' East along the South line of said Yamhill Street and North line of said Clough Property to the Northeast corner of said Clough Property, said point also being at the center of County Road 450;

thence Northwesterly along the center of said County Road 450 to the intersection with the center of Market Road No. 34;

thence Easterly along the center of said Market Road No. 34 to the northeast corner of the John Stephens D.L.C.;

thence South 75°34' East 5.72 chains along said center of Market Road No. 34 to the East line of a tract conveyed to George Joseph Goss and Rosalin Goss and Veral Goss and Lena Goss recorded in Volume 154, Page 756, Deed and Mortgage Records;

thence North along the East line of said Goss tract 14.15 chains to the northeast corner thereof;

thence South 57° 45' West 5.72 chains along the north line of said Goss tract to a point 10.275 chains North of the Northeast corner of said Stephens Claim;

thence North to the corner of Sections of 3, 4, 9, and 10 in Township 5 South, Range 4 West;

thence North 17° East 18.25 chains;

thence East 4.94 chains;

thence North 31.64 chains;

thence South 85° West 13.37 chains to a point on the East line of the Henry Hyde D.L.C that is North 16° West 8.00 chains from quarter section corner on the section line between Section 3 and Section 4, Township 5 South, Range 4 West of the Willamette Meridian;

thence North 18° 30' West along the East line of said Henry Hyde Claim to the Northeast corner thereof;

EXHIBIT A – LEGAL DESCRIPTION

thence North 87°30' West 325.79 Feet along the North line of said Henry Hyde Claim to the southwest corner of U.S. Lot 8 in Section 33, Township 4 South, Range 4 West;

thence North 7 Chains along the line between U.S. Lots 2, 7, and 8 in said Section 33 to the Northeast corner of said U.S. Lot 2, said point being on the South line of the Ephriam Ford D.L.C.;

thence East along the South line of said Ephriam Ford claim 23.70 chains to the Southeast corner thereof;

thence North 12° West 18 chains more or less along the East line of said Ephriam Ford Claim to the center of the South Yamhill River;

thence Easterly with the meanders of said South Yamhill River downstream to a point which bears North 17°30' East from the Northwest Corner of the Cyrus B. Hawley D.L.C. No. 67, being also an angle corner in the Richard Boothe D.L.C.;

thence South 17°30' West to the aforementioned northwest corner of the Cyrus B. Hawley D.L.C.;

thence South 23° 30' East along the West line of said Hawley Claim to an angle corner of said Hawley Claim, being also an angle corner in the County Road 463;

thence Easterly along the center of said County Road 463 to the West line of the William Graham D.L.C. No. 55;

thence South 4° 30' West along the West line of said Graham Claim to the center line of Star Quarry Road, County Road No.421;

thence Southwesterly along the center of said County Road 421 to the West line of the Plat of Woodland Heights Subdivision;

thence South 5°50'58" East along the west line of said Woodland Heights Subdivision to the Southwest corner thereof, said point being on the South line of the James McDonald D.L.C.;

thence South 85°30' East along said South line of McDonald Claim 48.54 chains to the S. E. corner of said claim;

thence North 4°00' East along the East line of said McDonald Claim 20.0 chains to the N. W. corner of Lot #1 of Walnut Hill Plat;

thence East 15.0 chains to the N. E. corner of Lot #15 Walnut Hill Plat;

thence South along East line of Walnut Hill Plat 65.0 chains to center line of county road;

thence Easterly along center of county road 40.0 chains to the intersection of County road and Secondary State Highway;

thence Northerly and following center of Secondary State Highway No. 154 and county road approximately 8 miles to center of South Yamhill River;

thence Westerly up center of Yamhill river to a point in line with the Westerly boundary of the City of Lafayette produced Southerly;

thence Northerly to and with the Westerly boundary of the City of Lafayette to the Northwest corner of City of Lafayette;

thence Easterly along the Northerly boundary of the City of Lafayette to center of Market road from Lafayette to Chehalem Valley;

thence Northerly along center of Market road 30.0 chains more or less to point due East of beginning;

thence West 10.0 chains more or less to the point of beginning.

EXHIBIT A – LEGAL DESCRIPTION

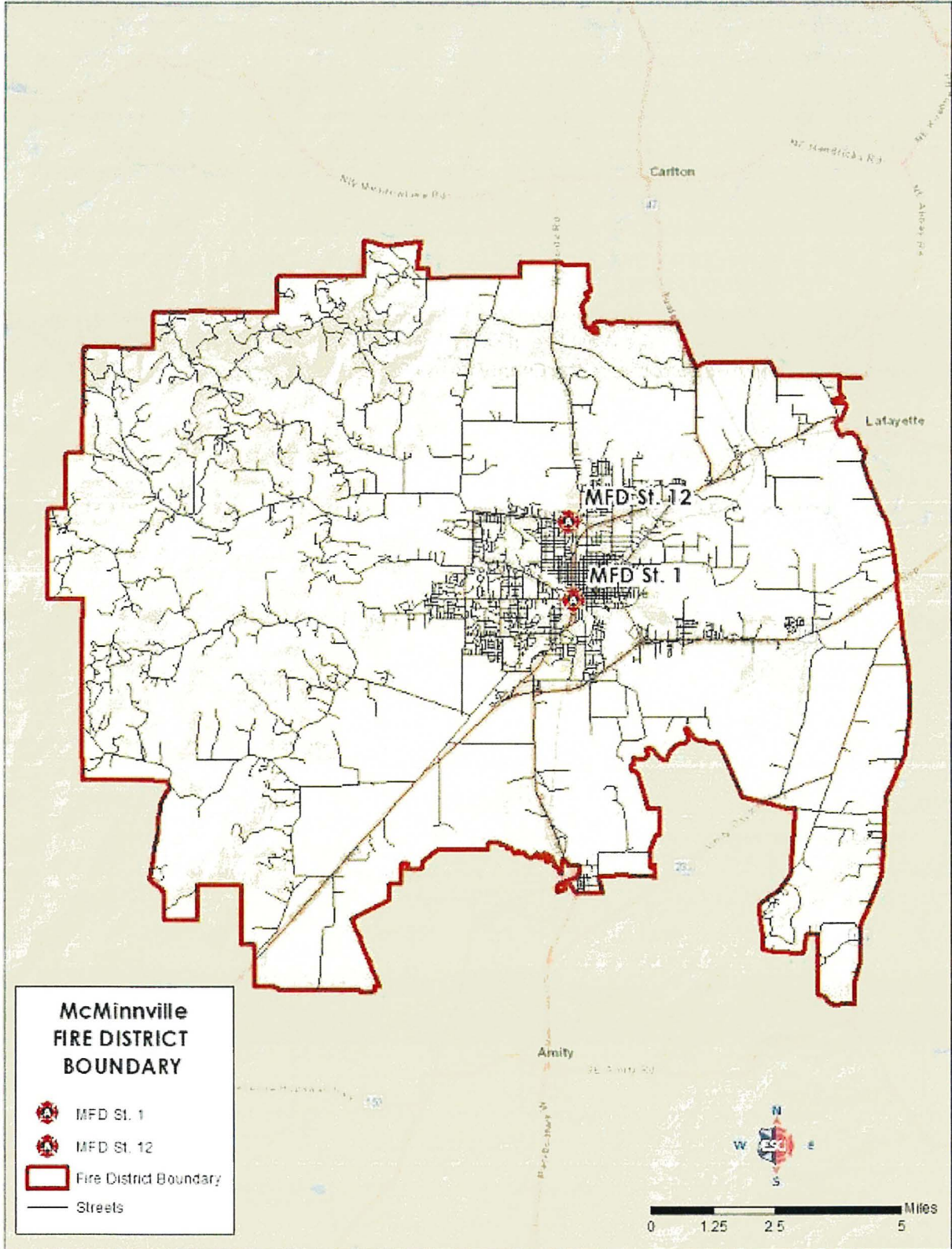


EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

Economic Feasibility Statement
for the Formation of

McMinnville Fire District

Fire District Economic Feasibility Statement

FEASIBILITY OF CREATING A NEW FIRE DISTRICT

The McMinnville Municipal Fire Department currently provides fire protection, emergency medical, and fire prevention services within the McMinnville City limits and the McMinnville Rural Fire Protection District boundaries.

Fire Services Evaluation and Recommendations:

The City of McMinnville Fire Department was founded prior to 1900. The Department is overseen by an appointed Fire Chief who answers to the McMinnville City Manager and elected seven-member City Council. Since 1945, City of McMinnville Fire Department entered into an Intergovernmental Agreement (IGA), with McMinnville Rural Fire Protection District for fire protection and fire prevention services. Additionally in 2018, the fire department was asked to evaluate the feasibility to consolidate or merge the municipal department and the rural fire protection district. Emergency Service Consulting, Inc. (ESCI), completed a “Consolidation Feasibility Study” in December 2020, which can be found on both the City’s and the District’s websites. The feasibility study included an analysis of the delivery of fire, emergency medical, and prevention services throughout many Yamhill and Polk County fire agencies, including McMinnville Fire Department and McMinnville Rural Fire Protection District response areas.

Emergency Services Consulting International and fire district formation consultants identified several deficiencies in the existing fire districts and identified several critical issues which should be addressed by the local communities.

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

The following summarizes some of the findings:

Management and Governance:

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District have outdated strategic plans or coordinated response plans that provide guidance for the future.

The separation of governing bodies creates management and budget inefficiencies and obstacles to implementing long-term improvements to facilities, fire apparatus, and equipment.

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District funds are provided by a combination of City general fund dollars, ambulance fees, and miscellaneous revenues. The two fire agencies have been inadequately funded for many years resulting in a backlog of vehicle and equipment replacement, facility improvements and expansions (substations) and response personnel needs.

Fire District Safety and Operational Deficiencies:

The City of McMinnville Fire Department provides all operational and prevention services to both agencies. They have been experiencing a decline in volunteer fire and emergency medical responders. As these numbers continue to decline, service demands have increased resulting in a decrease service level. Although the City of McMinnville Fire Department has had some increase in career staff, the financial constraints of the current funding model leave it very understaffed for number of calls for service.

Regulatory agencies and courts hold small rural fire districts to the same training standards and operational requirements as all other districts, large or small, providing the same level of service.

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District do not meet national standards for service due to call volume, concurrent calls and staffing levels.

Pre-incident plans have not been developed for all target hazards.

Fire District Facilities and Equipment:

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District have one fire station and one substation. The main station is not reinforced for a seismic event and is subject to collapse during a major earthquake. The substation is a converted private residence and houses only an ambulance with a two-person crew.

The fire station has undersized or inadequate vehicle bays, equipment storage, training facilities, office, and meeting areas.

The City of McMinnville Fire Department has several fire response apparatuses that are at the end of life and need replacement.

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

Volunteer and Career Firefighters:

Volunteer response is inconsistent and slow.

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District frequently rely on other neighboring fire districts to have enough responders to manage an emergency incident or fire adequately and safely.

McMinnville has followed the national and local trend with a decline in volunteer responders. This trend initiated in the 1980's and continues today.

Additional staff and volunteers are needed to have sufficient personnel for a moderate to high-risk incidents.

Recruiting and retaining individuals willing to volunteer as firefighters has become more difficult for many reasons but is partially due to the time commitments for training and response just to meet statutory requirements.

Most career firefighters live outside these jurisdictions and are not available for emergency callback.

The City of McMinnville Fire Department has one main station and one substation staffed with 24-hour career personnel coverage. The main station has a 24-hour fire engine that often is staffed with two firefighters which falls below national safety standards. It houses three ambulances with two personnel that are all crossed trained medics/firefighters each and the substation houses an ambulance with two personnel. McMinnville Rural Fire Protection District has no stations, vehicles, or staff (volunteer or career).

Recommendations:

Consolidation of the Fire Department and Fire District will enhance operations, improve efficiencies and enable the new district to focus on providing excellent fire protection, emergency medical services, and fire prevention.

A new fire district, with a single governing body, is proposed as the most efficient and cost-effective way to organize fire, rescue, and emergency services for the new fire district area.

A new permanent tax rate will stabilize funding and is viewed as the fairest way to distribute costs among all property owners.

Proposed Fire District:

In May 2022, the City of McMinnville Fire Department and McMinnville Rural Fire Protection District agreed to pursue the creation of a new fire district to serve the citizens within the existing fire protection and emergency medical service areas of the City of McMinnville Fire Department and McMinnville Rural Fire Protection District.

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

The strategic planning group established the following goals to be accomplish under the district formation proposal:

1. Simplify governance of the district.
2. Create an effective organizational structure.
3. Establish a stable revenue base sufficient to pay for:
 - operations
 - training
 - maintenance of facilities and equipment
 - asset replacement
 - capital purchases
 - ensure adequate staffing.
4. Provide the highest level of service to the community in a cost-effective manner.

The districts evaluated several options to achieve these goals. The final recommendation was to dissolve the existing City municipal fire department and the rural fire protection district and form a new fire district. The proposal for the new fire district assumes the following:

The new “Fire District” will provide fire protection, emergency medical services, and fire prevention within the boundaries of a new fire district. It will also provide emergency medical services to Ambulance Service Area (ASA) #2.

The City of McMinnville Fire Department will cease to provide fire protection services on June 30, 2023.

The McMinnville Rural Fire Protection District will be dissolved and cease to exist on June 30, 2023, and will eliminate its permanent tax rate of \$0.9735 per thousand.

The new district would assume responsibility for the debt owed by the City of McMinnville Fire Department for apparatus and equipment already purchased.

The City of McMinnville intends, upon formation of the McMinnville Fire District, to convey all McMinnville Fire Department personal property, vehicles, equipment, supplies, fire department liabilities, ambulance billing revenue, Volunteer LOSAP plan funds and the Main One Fire Station real property and all fire station improvements to the McMinnville Fire District. The City of McMinnville additionally intends to lease the existing McMinnville Fire Department Training area to the McMinnville Fire District for \$1.00 per year for ninety-nine (99) years.

The McMinnville Rural Fire Protection Fire District intends to propose a Plan of Dissolution and Liquidation which would convey all assets and liabilities of the existing District to the McMinnville Fire District, ensuring the reserve funds transferred at the time of creation of the New District be used for the exclusive purpose of building a future rural substation(s) that will clearly and unequivocally benefit the residents of the prior

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

“Rural District”.. The reserve accounts will be allocated according to their dissolution plan.

A new tax rate of \$2.00 per \$1,000 will apply to all property within the newly created district. With an estimated 2023-2024 taxable assessed value of \$4,036,526,867. The new district will generate \$8,073,054 in property tax revenues during its first year of operation. Beginning balance, user fees, miscellaneous, contracted services and grants will provide an additional \$5,084,704 in revenue.

The advantages of creating a new fire district are:

One district operates the fire protection, fire prevention and emergency medical service. A new five-member board of directors will be elected in May 2023. The board will take office in July 2023.

Fire protection services will be provided by one agency to all properties within the new fire district boundaries.

Ambulance services will be provided by the new district to Yamhill and Polk Counties through Ambulance Service Area agreements.

Tax rates will be equalized for all properties within the district.

The revenues are sufficient to establish an equipment replacement program and capital reserve for the purchase of new fire stations, apparatus, and new safety equipment.

The revenues will pay for increasing response personnel, as well as administrative support staff including human resources, financial director, and information technology.

BALLOT MEASURES FOR THE MAY 2023 ELECTION

The City Council from the City of McMinnville Fire Department and the Board of Directors of the McMinnville Rural Fire Protection District moved to proceed with a proposal to create the McMinnville Fire District and calling for an election in May 2023.

The McMinnville Fire District will be formed if voters approve all the following ballot measures at the May 2023 election:

Shall McMinnville Fire District be formed, have a tax rate of \$2.00 per \$1,000 assessed value beginning fiscal year 2023-24, and assume responsibility for the McMinnville Fire Department debt of \$588,000.

Shall the McMinnville Rural Fire Protection District be dissolved? (Within the Rural Fire Protection District boundaries)

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

If either of the proposed ballot measures are not approved, then the new fire district is not formed.

DESCRIPTION OF PROPOSED SERVICES AND FUNCTIONS TO BE PROVIDED BY THE PROPOSED DISTRICT (ORS 198.749(1))

The new district shall have all authority of a fire district pursuant to ORS Chapter 478.005 to ORS 478.965. Specifically, it is proposed that the district will perform both fire protection and emergency medical services. The new fire district will take over fire protection and emergency medical services for the entire district on July 1, 2023.

McMinnville Fire District Service Area

The district shall provide fire protection and emergency medical services for all inhabitants within the 95+/- square mile area of the new fire district. The permanent population for the district is approximately 39,896.

The district will provide fire protection, fire suppression, rescue, emergency medical, fire prevention, and public education services to approximately 6,000+/- commercial buildings. Fire and emergency medical services will be provided on Oregon State Highways including 12-miles Hwy. 18, 10-miles of Hwy. 99W, 3-miles of Hwy. 47, and 6-miles of Hwy. 233.

Fire Stations and Fire Apparatus

District offices will be in the existing City of McMinnville main fire station. The new district will have a total of two stations, with two of those stations having career personnel 24-hours per day. Plans include additional substations to improve response times throughout the new district.

Career Personnel and Volunteers

The new fire district will continue to heavily rely on its volunteers. All career and volunteer firefighters will meet State of Oregon and national standards in such areas as hazardous materials, rescue, emergency driving, safety equipment, first aid, building construction, incident command, and structural and wildland firefighting. The new district will add career staff to have a fully staffed 3-person engine and staffed 3-person truck company.

Calls for Service:

The City of McMinnville Fire Department and McMinnville Rural Fire Protection District respond to over 9,000 fire and medical response calls per year. A large percentage of all calls are responses are for emergency medical incidents, traffic accidents, and fire related emergencies. McMinnville Fire District career and volunteer staff have firefighters who have received training in specialized areas, such as vehicle extrication, rope rescue, wildland firefighting, and all hazards.

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

The new district will continue to rely on volunteers to supplement the efforts of career staff. Many of the volunteer firefighters support the creation of a new district.

RELATIONSHIP TO OTHER GOVERNMENTAL SERVICES (ORS 198.749(2))

McMinnville Fire District will continue to have on-going working relationships with a variety of local governments and surrounding fire districts within Yamhill and Polk Counties, Grand Ronde, the State of Oregon, and many other local agencies.

McMinnville Fire District will also maintain our working relationship with the Oregon Department of Forestry and Bureau of Land Management for all forest lands and wildfire protection areas within the boundaries of the new fire district.

The petitioners believe the new fire district is a viable solution to ensure that adequate facilities, equipment, and staffing for fire protection and emergency medical services are available on a continued basis to all inhabitants within the fire district boundaries. The petitioners further believe the dissolution of the existing fire department and district and the formation of a new fire district will simplify government by eliminating unnecessary duplication of services. The creation of a new, larger fire district, offers an opportunity for greater control over the growth and direction of fire and emergency medical services to the inhabitants of the district. The elected board of directors will make all decisions for the new district. Providing fire protection, prevention, and emergency medical services will be the board's only concern.

BUDGET (ORS 198.749(3))

During its first year of operation, the annual operating budget for the district will be approximately \$13,473,935. The primary sources of revenue in the first year will be from property taxes and ambulance fees. Other general fund revenues will come from fire call response fees, interest earnings, donations, and miscellaneous revenues. A loan from, or IGA with, the City of McMinnville will be used to cover the gap until the property tax payments in December 2023.

The district proposes to use property taxes as a stable, long-term funding source to pay for the majority of its personnel, materials and services, and capital expenses. The district proposes to establish a permanent tax rate of \$2.00 per \$1,000 of assessed valuation. Collection of property taxes will begin in fiscal year 2023-2024. The assessed values (Measure 50 taxable value) of all property within the district are estimated to be \$4,036,526,867, in FY 2023-24. Based upon this value, the district will levy \$8,073,054 in property taxes. Other general fund revenues in the amount of \$5,084,704 will make up the difference between the operating budget and property tax receipts. See Appendix 1 & Appendix 2 for detailed first-year and third-year proposed budget.

Personnel Services:

The proposed budget anticipates the new district will continue with the current administrative staff consisting of a Fire Chief, Operations Chief, Fire Marshal, and Training Chief for the first three years as the fire district continues its path toward solidifying the organizational chart of the

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

new fire district. The two agencies currently have joint policies, administration, operations, training, and logistics. The two agencies utilize the same volunteer association and will to continue to operate status quo.

In its first fiscal year, the new district will be composed of the following personnel:

Career Staff

- 1 - Fire Chief
- 1 - Assistant Chief of Operations
- 1 - Assistant Chief of Administration/Fire Marshal
- 1 - Assistant Chief of Training
- 1 - Office Manager
- 1 - Operations Support Specialist
- 1 - Deputy Fire Marshal
- 1 - Support Services Tech
- 3 - Battalion Chiefs
- 3 - Captains
- 3 - Apparatus Operators/Engineers
- 31 - Career Firefighter EMT/Paramedics
- 2 - Paramedic only

Volunteers

32-Volunteers

Personnel costs for the new district will be approximately \$8,658,208 in 2023-2024. This cost includes the additional funding for three support staff for the first year of operation. The work of these positions may be covered with professional services contracts until positions are filled.

Materials and Service:

Materials and service expenses will average \$2,132,339 per year. They include general office supplies, equipment supplies for the fire trucks and rescue vehicles, replacement equipment for firefighters, maintenance of vehicles, safety equipment, training, and general administrative expenses for insurance and audit. Legal and other professional services.

Capital Reserves and Debt Service:

The proposed budget is created with capital reserve funds to address future facility, apparatus, and major equipment improvements for the new district. The ESCI report identified significant deficiencies in fire apparatus, structural deficiencies, location, or capacity problems in all McMinnville fire stations.

The capital reserve fund will be established in FY 2023-2024 to finance fire apparatus, vehicles and major pieces of equipment. Annually there will be a \$250,000 transfer from the general fund into the capital reserve fund. The transferred funds will be placed in the capital reserve fund to purchase future apparatus, fire equipment, and substation development. The proposed district

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

budget anticipates the district will purchase apparatus per its apparatus replacement plan. Please see Appendix 3.

Existing Debt:

The new district is required to assume all fire protection related debt obligations of the City of McMinnville Fire Department and McMinnville Rural Fire Protection District. The City of McMinnville has an outstanding municipal loan for \$588,000 for fire apparatus. No other long term debt obligations will be assumed by the new district.

Contingencies:

The budget includes a general fund operating contingency to cover unanticipated operating expenses. An amount between 4% to 5% of the estimated annual personnel and materials and services costs is recommended. The new district will be placing \$250,000 per year into to an account until an adequate fund is established. User fee revenues help offset the estimated operating contingency need. Any unspent contingency and capital reserve funds will be retained for use in future years to support vehicle replacement, fire station improvements, and improved fire protection and emergency medical services.

Budget Summary:

In summary, the proposed budget demonstrates the economic feasibility of the proposed district because it establishes a stable annual revenue base for the district by establishing a permanent tax rate of \$2.00, which will be used exclusively for fire protection and emergency medical services within the community.

The proposed budget will:

- set aside capital reserves to replace for fire apparatus and meet future facility needs.
- allow the district to hire additional staff
- provide sufficient annual revenues to pay for operating and maintenance expenses of the existing fire protection and emergency medical services currently provided by McMinnville Fire Department and McMinnville Rural Fire Protection District.
- provide sufficient annual revenues to retire existing debt of McMinnville Fire Department.

Appendix 1

EXHIBIT B – ECONOMIC FEASIBILITY STATEMENT

Name	License	Year	Make	Model	Replacement	
					Year	Cost
Remount Ford E450	E279643	2019	FORD	E450 VAN	2029	\$220,000.00
E450 Medic (pdx)	E235626	2005	FORD	E350 VAN	2022	\$250,000.00
Chev Medic	E266011	2015	CHEVROLET	EXPRESS 4500	2025	\$210,000.00
E450 Medic (pdx)	E235628	2005	FORD	E350 VAN	2024	\$250,000.00
Chev Medic	E254685	2012	CHEVROLET	EXPRESS 4500	2022	\$190,000.00
Ford E450	E269253	2016	FORD	E450 VAN	2026	\$210,000.00
Ford E450	E279613	2018	FORD	E450 VAN	2028	\$210,000.00
E1	E266040	2015	PIERCE	SABER-PUC	2040	\$525,000.00
E14	E224914	2003	H&W	Spartan 2000-2 EE22502	2033	\$515,000.00
E15	E194462	1994	H&W	Spartan 1000-EE2-006	2024	\$500,000.00
E16	E276252	1996	BME	BME 2160548	2030	\$450,000.00
BR1	E279643	2019	FORD	F550 PICKUP 4wd	2049	\$189,000.00
BR11	E249084	2010	FORD	F550 PICKUP 4wd	2040	\$185,000.00
SQ 1	E212130	2000	H&W	SPARTAN 100-EE2-823	2045	\$225,000.00
TR1	E266013	2015	PIERCE	ARROW XT	2045	\$950,000.00
WT1	E266039	2005	Freightliner	Converted into Tanker	2045	\$200,000.00
WT10	E168598	1985	International	F2275	2023	\$175,000.00
Car 12/C1	E258914	2013	CHEVROLET	TAHOE 4wd	2033	\$48,000.00
Car 13/DC12	E227119	2003	CHEVROLET	TAHOE 4wd	2022	\$45,000.00
Car 17	E227118	2003	CHEVROLET	TAHOE 4wd	2024	\$40,000.00
Car 1/DC1	E261887	2015	CHEVROLET	TAHOE 4wd	2028	\$48,000.00
Car 18 / FM1	E279605	2019	CHEVROLET	SILVERADO	2039	\$50,000.00
Car 14/FM-12	E235800	2006	FORD	F150 PICKUP 4wd	2030	\$42,000.00
UT1	E196145	1995	DODGE	RAM 3500 PICKUP 4wd		
C-12		2020	FORD	EXPLORER AWD	2040	\$450,000.00
Trailer	E237767	2006		MO		
Trailer	FIT			FIT		
Trailer	Flatbed	1987		FlatBed		
Trailer	Smoke House			Smoke house		
Trailer	Conflag	2019		Conflag trailer		
Trailer	Car Hauler	1993		Popcorn Wagon		