



**SPECIAL TOWN OF EAGLE BOARD MEETING
HELD JOINTLY WITH THE VILLAGE OF EAGLE BOARD
UNAPPROVED MINUTES – MAY 28, 2015**

Eagle Village President Rich Spurrell, Eagle Town Chairman Bob Kwiatkowski and North Prairie Village President Gary Nickerson called their respective special Board meetings to order at 7:00 p.m. President Spurrell confirmed Open Meeting Law requirements.

Eagle Town Chairman Kwiatkowski, Eagle Village President Spurrell and North Prairie Village President Nickerson led the Pledge of Allegiance.

Roll was taken:

(Town) Supervisors Davis, Malek, Rasmussen, West – all present; Chairman Kwiatkowski – present.

(Eagle Village) Trustees Fritsch, Hein, Hoeffaker, Jones, Scheff, – present. Trustee Neuburg - excused. President Spurrell – present

(North Prairie Village) Trustees Pasierb, Samuels, and Stellpflug - present. Trustees Moravec, Pellegrino, Peters – excused. President Nickerson – present.

Also present were: Eagle Acting Fire Chief Hein, Eagle Captain Kugel, Eagle Deputy Chief Wilton, North Prairie Fire Chief Taylor.

Public Comment.

Eagle Village President Spurrell stated that the Boards will allow for comments now and after the presentation. Chairman Kwiatkowski explained that comments should be focused and to the point. Once you are called upon, please state your name and address for the record.

Report on Preliminary Considerations on Finances Relating to the Possible Consolidation of Fire Departments.

Eagle Village President Spurrell explained that one Board Member from each community met to discuss possible financial scenarios for a consolidated fire department. Eagle Supervisor Davis, North Prairie Trustee Samuels and himself met several times and what is being presented tonight is our recommendation. Eagle President Spurrell explained that North Prairie Trustee Samuels spoke with Lake Country and he spoke with Dousman because they have already gone through the consolidation process to see how they went about it. There are three (3) ways to fund a

consolidated department; equalized value, population, and call volume. Our recommendation as a sub-committee is to stay with equalized value. This is currently how the Town and Village of Eagle fund the Eagle Fire Department. Call volume would be difficult because it would have to be tracked and adjusted every year. Village President Spurrell explained that the sub-committee used the 2014 Equalized Values to come up with possible funding percentages. Based on these numbers, the Town of Eagle's contribution would be \$177,037; the Village of Eagle's contribution would be \$58,366; and the Village of North Prairie's contribution would be \$87,597. Eagle Village President Spurrell stated that they did come up with the estimated cost savings for each community from the current budget. The Town of Eagle would see an estimated savings of \$9,563; the Village of Eagle would see an estimated savings of \$3,193; and the Village of North Prairie would see an estimated cost savings of \$86,940. Eagle Village President Spurrell explained that the current budgets are based on what all municipalities paid in their 2015 municipal budget. North Prairie is a standalone department. Eagle is a jointly funded department. This needs to be understood when looking at the estimated savings of North Prairie versus the municipalities of both the Town and the Village of Eagle. North Prairie Trustee Samuels explained that up until this year, North Prairie had contractual agreements with some neighboring communities. Our net costs, with the contractual agreements, from years past cost the North Prairie taxpayers between the range of \$35,000 and \$40,000.

In regards to funding, Eagle Village President Spurrell explained that there are a few possible complications. First, the Eagle Fire Station is jointly owned and the North Prairie Station has sole ownership. How would be balanced fairly? Another complication is the Eagle's Station is solely used by the Fire Department. The Village of North Prairie's Station is used jointly by their Fire Department and their Department of Public Works. How would this be balanced fairly? Who would be responsible for the repairs; the Fire Department or the Municipality? When Lake Country consolidated, they agreed that each municipality retained ownership of their own buildings and the Fire Department will rent that building with an annual cost of \$1.00. It is the sub-committee's recommendation that the municipalities retain ownership of the building/station; the Fire Department will rent the station from each municipality at a cost of \$1.00 per year; the Fire Department will be responsible for the cleaning of the building; the Fire Department will be responsible for any consumable supplies and maintenance; and the municipalities will be responsible for the "bricks and mortar" of their respective station and any structural repairs.

In regards to current vehicles and apparatus, Eagle Village President Spurrell explained that this was more complicated. The vehicles/apparatus vary in age. Maintenance, duplication, and value all had to be considered. It is the recommendation of the sub-committee that the municipalities retain ownership of their respective apparatuses until sold. When a municipal vehicle is sold, monies from the sale will go directly to the municipality. New apparatuses bought after consolidation will be jointly owned by the Fire Department. The purchase and ownership of the vehicle will be based on the budget percentages. The Fire Department will maintain current vehicles, but municipalities will own current vehicles. The cost of maintenance of the vehicles will be incorporated within the Fire Operations budget.

Eagle Village President Spurrell explained that the sub-committee addressed what would need to happen in order to equalize the department's reserves. The Eagle Fire Department has built up a

reserve based off of the department's budget. North Prairie currently does not have a designated reserve for their Fire Department. Their reserve is incorporated into the general fund balance for the municipality. In order to keep things equal, the sub-committee's recommendation is that the current reserve built by the Town and Village of Eagle be returned to the municipalities of the Town and Village of Eagle; split based on their current contributions). Upon consolidation of the departments, a new reserve needs to be established immediately. All three (3) municipalities would contribute, based on their respective percentages based on equalized value, to establish a reserve.

Eagle Village President Spurrell stated that the sub-committee feels that financially, consolidation could happen. The sub-committee does realize that there are other things that need to be considered. One of the considerations is the memberships of the departments. If the three (3) Boards are in favor of the potential consolidation, the sub-committee would recommend that the memberships vote on whether or not they would support a potential consolidation.

Eagle Town Chairman Kwiatkowski stated that he has been concerned about the financial aspect of this proposed consolidation all along. This has to be a benefit to all communities. Eagle Town Chairman Kwiatkowski stated that originally, the consolidation proposal included the Town and Village of Mukwonago. The Town and Village of Mukwonago backed out of discussions because of a dispatching issue. It was then that the two (2) fire chiefs put together a projected budget. Eagle Town Chairman Kwiatkowski presented to the Boards the recommendations from Lake Country Fire District, who has gone through the consolidation process. It is a list of things that they did and what they should have been done better. First, they underestimated consolidation costs. If we underestimate the costs given the numbers presented, there would be no cost savings. This does not mean that consolidation isn't a good idea. We just need to know what it is going to cost us. Our constituents hold us accountable for their tax dollars. He added that the committee did a great job coming up with their recommendation.

Eagle Town Chairman Kwiatkowski presented his own cost estimates based on our current budget. This by no means is absolutely accurate. It is purely his own operational costs including his factors. Eagle Fire Captain Kugel did a cost estimate himself. There is also the one that was done by the chiefs in 2013. Do we want to proceed with discussions? Maybe we do but we need to be sure we are using the right numbers. Eagle Town Chairman Kwiatkowski stated that other factors are labor, retirement and salary benefits. We need to come with a better cost estimate not only for this year but for several years out. Plan for the worst and hope for the best.

In response to Eagle Village Trustee Fritsch's comment on the varying number of calls, Eagle Fire Captain Kugel stated that these numbers are the best that we can come up with at this given time. Eagle Fire Captain Kugel, as well as Eagle Town Chairman Kwiatkowski explained that what they came up with is not to take away from what the committee did. Eagle Fire Captain Kugel explained that the fire departments have been running differently. The monies that North Prairie ambulance generates goes directly into the Village's general fund. The ambulance income for the Eagle Fire Department is used to offset the cost of the fire department. Eagle Fire Captain Kugel explained that Eagle has an average of two-hundred ten (210) ambulance calls per year. He estimated that North Prairie has an average call volume of forty (40) per year. Eagle Fire Captain Kugel explained that Eagle has an average call volume of three-hundred three (30)

overall calls per year. He estimated that North Prairie has seventy-five (75) calls per year. All of these numbers exclude mutual aid calls. Eagle Fire Captain Kugel explained that he went through the fire expenses which showed that the two (2) departments have similar apparatus and similar number of personnel. Some of the operational expenses double such as vehicle maintenance. Eagle Fire Captain Kugel explained his formula for his possible budget. North Prairie Fire Chief Taylor added that revenue will always change up or down.

Eagle Fire Captain Kugel explained that the Eagle Fire Department contracts with Kettle Moraine Ambulance Billing for their ambulance billing service. Last year the department got \$95,000. These monies are used for actual expenses, payroll expenses, specifically for paid-on-call, and what is leftover is put into a Certificate of Deposit (CD) to go towards the purchase of a new ambulance. Unfortunately we haven't been able to do that for the past few years. The Eagle Fire Department is scheduled for a new ambulance every ten (10) years, which costs in excess of \$220,000. North Prairie Fire Chief Taylor added that there are additional costs to stock the ambulance.

North Prairie Village Trustee Samuels that the committee came up with an estimated cost of \$323,000, based off of the numbers documented by Eagle Fire Chief Heim and North Prairie Fire Chief Taylor. The Town Chairman's estimated budget comes in at \$537,000 but does not account for new revenue. Once his estimated budget is offset, his budget reduces to \$342,000, which is a difference of \$19,000 from her estimated budget. Eagle Town Board Supervisor West stated that the ambulance funds of \$130,000 would be used to offset the budget and then the number should be divided. We should keep the funds separate and use the numbers for everything else. Then we should divide the number by the equalized value. This formula would be fair to the three (3) municipalities. North Prairie Village Trustee Samuels stated that North Prairie would take any funds that are generated and would put them in the Fire Department Fund. Eagle Fire Captain Kugel added that he used the figure of \$475.00 per call to help offset the budget. Eagle Town Board Supervisor West stated that the ambulance fund should be subtracted from the true budget of \$522,000, and then split it by equalization. In his opinion, this is a con. Eagle Village President Spurrell explained that this is the format that Eagle Fire Department has already been doing. Eagle Fire Captain Kugel clarified that his projected budget includes the revenue from both departments. Eagle Fire Captain Kugel's estimated budget and the committee's estimated budget allows for all revenue to go to the Fire Department. Eagle Town Chairman explained that the \$500,000 figure, before revenue is added back in is actually the true number because ambulance expenses are up and down and runs vary. So the true cost is \$522,000. Eagle Town Chairman Kwiatkowski explained that part of Eagle's revenue is currently being used to offset the cost of paid-on-call at the rate of \$15.00 per hour. The question now is, do we proceed with having someone independent looking at the books? Should they go back one (1) year, two (2) years, or three (3) years? Eagle Town Board Supervisor Davis explained that the \$500,000 figure compared to the 2015 budget can't be compared because the income is already factored into 2015 budget. The numbers that are being compared are not comparable. Discussion followed regarding estimated versus actual income and expenses, including technology expenses. Eagle Village President Spurrell suggested that should we consolidate our fire departments, we should budget more money than what is projected.

Eagle Town Board Supervisor West stated that when North Prairie lost the Town of Ottawa's and the Town of Genesee's contracts, their net cost as a stand-alone department is \$193,838. Eagle Village President Spurrell stated that the committee estimated that North Prairie's share would be \$87,000. It was an estimate because they really didn't have any hard numbers to look at. North Prairie Village Trustee Samuels stated that their actual budget is \$175,000. Eagle Town Board Supervisor West questioned how each municipality is going to save money by consolidating because the function of the fire department is not going to cost less. In response, Eagle Village President Spurrell stated that some money could be saved by not having to duplicate some equipment. North Prairie Fire Chief Taylor added that the one (1) fire chief and one (1) fire inspector position could be eliminated. He added that capital outlay would also be reduced. North Prairie Trustee Samuels explained that having a consolidated department may not be saving a ton of money. The overall savings is in the reduction of replacing equipment. The consolidation effort has to be beneficial to all of our residents. Discussion followed regarding the vehicle replacement schedule for both departments. Eagle Town Chairman Kwiatkowski stated that while the consolidated department may have fewer trucks, there had better not be a longer response time. That would be a disservice to our residents. Eagle Town Board Supervisor West stated that these are the types of questions that need to be answered moving forward. Eagle Fire Captain Kugel reported that the Eagle Fire Department presents their capital improvement plan, including replacement costs, within their budget annually. The projected costs are included in their plan. North Prairie Fire Chief Taylor reported that their replacement schedule is included in the year-end report. There are times that because our vehicles have been well maintained, we may be able to extend the replacement out a bit. He and Eagle Fire Chief Heim were going through the numbers to come up with a projected plan however have not been able to complete it given the injuries to the Eagle Fire Chief. If the Boards do decide to proceed, they can come up with a projected budget based on real numbers.

Eagle Deputy Fire Chief Wilton questioned the startup costs including the costs to merge, the costs for new shirts and patches, the cost for re-lettering the rigs, and the costs for radio upgrades. In response, North Prairie Fire Chief Taylor stated that the startup costs, with the exception of the radios, were included in their \$7,000 projection.

Whether/How to Continue the Evaluation of Possible Consolidation.

Eagle Town Board Supervisor Davis stated that the committee has found that it could be financially feasible. The Boards need to decide if it is worth going further with the discussions. Voting to proceed does not mean that the consolidation would definitely go forward. Eagle Village President Spurrell added that the cost savings was based on an estimated budget. North Prairie Village Trustee Samuels stated that at this point, we Boards need to determine if we should proceed with gathering more data and continue the discussions.

Eagle Village Trustee Fritsch stated that the manpower is of concern to him. He stated he is aware that North Prairie does not have much manpower. Eagle is fortunate that we have staff. How would it balance out? North Prairie Village Trustee Samuels explained that they currently have one (1) fulltime person working from 8:00 A.M. to 4:00 P.M. Monday through Friday at the rate of between \$14.00 and \$19.00 per hour. North Prairie Fire Chief Taylor stated that their current membership is at twenty-nine (29). Eagle Fire Captain Kugel stated that Eagle's

membership is at thirty-one (31). He stated that the department is staffed with one (1) fulltime Chief, one (1) part timer from 6:00 A.M. to noon, one (1) part timer from noon to 6:00 P.M. and another part-timer from 8:00 A.M. to 4:00 P.M. North Prairie Village Trustee Samuels stated that their 8:00 A.M. to 4:00 P.M. is split into two shifts, from 8:00 A.M. to 4:00 P.M. Eagle Fire Captain Kugel stated that his projected budget reflects a duplication of staff with one (1) part-timer and each station and one (1) chief; North Prairie Fire Chief Taylor stated that he and the Eagle Fire Chief did the same. Eagle Town Chairman Kwiatkowski questioned what would happen if a call came in at both stations. Which would the chief respond to? Another factor that has to be considered is Wisconsin Retirement. North Prairie is going to have to join because the Town and Village of Eagle are lifelong members. Eagle Deputy Chief Wilton stated that legally there has to be two (2) staffed Emergency Medical Technicians on duty. If one (1) chief is already on a call, that would leave one (1) firehouse short staffed. He stated that he has heard discussion that another part-timer would have to be staffed at either station so we aren't short staffed and remain legal. North Prairie Fire Chief Taylor responded that they could staff an additional part timer for their station. The additional part timer is reflected in their projected budget.

In response to Eagle Village Trustee Fritsch, North Prairie Fire Chief Taylor explained that the North Prairie station would also be responding to calls in Eagle because the area would be redistricted. We would still continue with First Responders. Eagle Town Chairman Kwiatkowski added that we would still be able to receive mutual aid.

In response to Doreen Sulter, 507 Chad Court, North Prairie, North Prairie Fire Chief Taylor stated that the Eagle Fire Chief works full-time. Ms. Sulter stated that these people already have enough to do, how are they going to find time to do the work of two (2) departments? Eagle Village President explained that currently, each department is doing their own reports. A consolidated department's reports would run simultaneously. In regards to personnel, some of the officers would be given new titles and would pick up some of the responsibilities. North Prairie Fire Chief Taylor added that the consolidated department would likely be run through the Eagle Fire Station.

In response to Dave Rockteacher, 335 Eagle Street, Eagle, stated that the estimated proposal shows a cost savings to the Village of Eagle came out to \$3,193. In response, Eagle Village President Spurrell stated that the estimated savings on a house assessed at \$200,000 in the Village of Eagle would probably be zero. The savings would likely be incorporated into the budget. The savings could allow for better Village services. Mr. Rockteacher explained that when they take this back to their membership, the ones that are there now may not necessarily be there in three (3) years. Mr. Rockteacher suggested that if this consolidation does become reality, the consolidation contract should be for a minimum of five (5) years, possibly ten (10). Eagle Town Board Supervisor Davis responded that while there may be different people, the municipalities need the support of those who are here today. We wouldn't be able to go forward with consolidation without the membership's support. Eagle Village President Spurrell stated that he spoke with Bob Leonard with the Dousman Fire Department. He has stated to him that their biggest problem was not having their membership behind it. North Prairie Fire Chief Taylor explained that it will all depend on how this is presented to the membership. In addition, Eagle is currently getting burnt out responding to so many calls; North Prairie is getting

frustrated that they there are not enough calls. Consolidating would help balance out the work load. Mr. Rockteacher explained that Dousman, in order to retain staff had to put on a second floor to their station for overnight staff in the amount between \$800,000 and \$900,000. North Prairie Fire Chief Taylor stated that Dousman's department went from one similar to North Prairie to one just like Milwaukee. Now they respond to between forty (40) and fifty (50) calls per day.

Eagle Deputy Chief Wilton explained that another alternative to draw people in would be to have paid-on premise. If the membership gets too low, we may need to consider it. Eagle Town Board Supervisor Davis stated that contract details can be worked out when the process is farther along. Discussion will have to be held to address issues such as the make-up of the new commission. North Prairie Trustee Samuels stated that she likes the five (5) year agreement that Lake Country has. At the end of five (5) years, if a community wants to leave the consolidated department they would have to give a two (2) year notice.

Mr. Rockteacher stated that the savings to the Town is only \$9,563. The savings per household is likely zero dollars. Is this consolidation worth it? In response to Mr. Rockteacher, North Prairie Trustee Samuels explained that Lake Country does not want to consolidate with Oconomowoc. Eagle Village President Spurrell explained that, from his viewpoint, the projected costs are all close to the same. As long as the consolidation does not cost the municipalities any more money, then he believes that we should continue to research for any long-term savings. Many other factors need to be considered as well. North Prairie Fire Chief Taylor explained that staffing will be the biggest issue. It is hard to get people to volunteer for this job. It is a thankless job.

In response to Eagle Deputy Chief Wilton asking for a three (3) year budget, North Prairie Village Trustee Samuels stated that she doesn't know how anyone could project something like that. North Prairie Fire Chief Taylor added that if the departments start to lose their volunteers, there is no choice but to staff the department. Eagle Village President Spurrell agreed with having long-term plans with regards to equipment are things that we can predict. Eagle Fire Captain Kugel stated that their projections are based on their best estimate.

Mr. Rockteacher expressed concern over the projected revenue. It may not be that much at any given year and taxpayers are going to have to make up the difference. North Prairie Fire Chief Taylor added that the National Fire Protection Association (NFPA) standard may change to say that a certain piece of equipment must be replaced sooner rather than later. It could happen.

Eagle Village President Spurrell explained that the preliminary work has been done by the committee. The group has to decide if it warrants further research. Should the committee come back together to continue the research? Should we hire an outside consultant? North Prairie Fire Chief Taylor suggested getting the department's input before proceeding. The committee should come before both memberships to present their findings and to get their approval to move forward. Eagle Deputy Chief Wilton agreed.

In response to Eagle Town Chairman Kwiatkowski, North Prairie Village Trustee Samuels stated that the clerk has been tracking their income and expenses and the Board is given a report monthly. Eagle Town Chairman Kwiatkowski stated that he would like to see North Prairie's

income and expenses for the past five (5) months and would like them to project the income and expenses for the next seven (7) months. North Prairie Village Trustee Samuels explained that their fire equipment expenses are done in the first quarter of the year. In response to Eagle Town Chairman Kwiatkowski, North Prairie Fire Chief Taylor stated that he might have someone on his department who is a financial advisor for Edward Jones. He may be able to help us. North Prairie Trustee Samuels stated that she feels that the people who run the department have enough knowledge to project from an operational standpoint.

A motion was made by Eagle Village President Spurrell, seconded by Eagle Village Trustee Scheff to have the Consolidation Committee present their findings to both memberships. If both memberships are in favor to proceed with consolidation discussions, the officers of the department should rejuvenate the committee to gather further data. Upon voice vote, motion carried.

A motion was made by North Prairie Village President Nickerson, seconded by North Prairie Trustee Samuels to have the Consolidation Committee present their findings to both memberships. If both memberships are in favor to proceed with consolidation discussions, the officers of the department should rejuvenate the committee to gather further data. Upon voice vote, motion carried.

A motion was made by Eagle Town Board Supervisor Davis, seconded by Eagle Town Board Supervisor Malek to have the Consolidation Committee present their findings to both memberships. If both memberships are in favor to proceed with consolidation discussions, the officers should rejuvenate the committee to gather further data. Upon voice vote, motion carried.

A motion was made by Eagle Town Chairman Kwiatkowski, seconded by Eagle Town Board Supervisor Davis to adjourn the Joint Meeting at 8:51 P.M. Upon voice vote, motion carried.

A motion was made by North Prairie Village Trustee Samuels, seconded by North Prairie Village Trustee Nickerson to adjourn the Joint Meeting at 8:51 P.M. Upon voice vote, motion carried.

A motion was made by Eagle Village Trustee Scheff, seconded by Eagle Village Trustee Hoefakker to adjourn the Joint Meeting at 8:51 P.M. Upon voice vote, motion carried.

Lynn M. Pepper
Eagle Town Clerk