

**MEETING OF THE BOARD OF COUNTY COMMISSIONERS
SITTING AS THE GOVERNING BODY OF FIRE DISTRICT #1**

REGULAR MEETING

April 12, 2006

The Regular Meeting of the Board of the County Commissioners of Sedgwick County, Kansas, was called to order at 10:59 a.m., on Wednesday, April 12, 2006 in the County Commission Meeting Room in the Courthouse in Wichita, Kansas, by Chairman Ben Sciortino; with the following present: Chair Pro Tem Lucy Burtnett; Commissioner David M. Unruh; Commissioner Tim R. Norton; Commissioner Thomas G. Winters; Mr. William P. Buchanan, County Manager; Fire Chief Gary Curmode, Fire District #1; Fire Marshal Tim Millspaugh, Fire District #1; Mr. Rich Euson, County Counselor and Ms. Lisa Davis, Deputy County Clerk.

ROLL CALL

The Clerk reported, after calling roll, that all Commissioners were present.

CONSIDERATION OF MINUTES: Regular Meeting, March 15, 2006

The Clerk reported that Commissioner Winters was absent at the Regular Meeting of March 15, 2006.

Chairman Sciortino said, "Commissioners, you've had a chance to read the Minutes of the Regular Meeting of March 15, 2006. What is your will?"

MOTION

Commissioner Burtnett moved to approve the regular meeting of March 15, 2006.

Commissioner Norton seconded the motion.

There was no discussion on the motion, the vote was called.

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VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Winters	Abstain
Commissioner Burtnett	Aye
Chairman Sciortino	Aye

Chairman Sciortino said, "Next item please."

DONATION

- A. ANONYMOUS DONATION OF ONE TROY-BILT 5550 WATT PORTABLE GENERATOR, ONE HP IPAQ GPS H1945 NAVIGATION SYSTEM AND ONE LEXAR SD MEMORY CARD TO BE USED BY THE SEDGWICK COUNTY FIRE DEPARTMENT TECHNICAL RESCUE TEAM.**

Mr. Gary E. Curmode, Fire Chief, greeted the Commissioners and said, "We've received an anonymous donation, If you approve, of a portable generator that would be used on our rescue, technical rescue team, carried on that apparatus, also a navigation system and a Lexar memory card.

And briefly, what that does is when our regional Hazardous Materials Response Team goes out of county, which we respond to 19 counties in our region, or if we have a fire like we had in Harvey or Reno County, when we cross that line, this navigation system will help steer our people to the right place without having to be led in by law enforcement of the other communities.

So this will help us a lot in our safety and response times, helping our partnerships with other counties around, in their time of emergencies. I'm available for questions and I would recommend that we accept the donated items and authorize the Chairman to sign a letter of appreciation."

MOTION

Commissioner Norton moved to accept the donated items and authorize the Chairman to sign a letter of appreciation.

Commissioner Unruh seconded the motion.

There was no discussion on the motion, the vote was called.

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VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Burtnett	Aye
Chairman Sciortino	Aye

Chairman Sciortino said, "Next item please."

NEW BUSINESS

B. PROPERTY PROTECTION CLASS CHANGE.

Chief Curmode said, "I'm going to turn the presentation over to Tim Millspaugh, our Fire Marshal for the Fire District here in just one minute. But the one thing I wanted to clarify on this, this has been a real diligent project for about three years, that we've been working on and again Tim Millspaugh our Fire Marshal and Ron Revis, our division chief and our entire fire department has been assisting in this endeavor to try to seek a better classification rate of protection for taxpayers, to reduce their fire insurance rates and that's what this presentation will be on.

But I want to say first and foremost, we couldn't be here today if it wasn't for your actions, in the past several years. You helped us almost change out our whole fleet. We only have one reserve tender left of the original fleet when I arrived. We have brand new tenders, and without those new tenders that carry a large capacity of water, they are very efficient in their use, we wouldn't be able to even be up here today to get those ratings, so I want to thank the commissioners, I want to again thank the manager and his staff. The finance department paved the way for us to find a funding mechanism to get this done. Additionally, Purchasing had to help carry the ball through the process, through Bid Board and so forth, to get us to this project.

And last of all, I want to thank the GIS Department. Again, every time we asked them for assistance in finding out about our households in the county, they were able to address this, get it to us in a very timely fashion and a very professional model, and again we want to thank those people.

So at this time, I'm going to turn it over to Tim Millspaugh, Fire Marshal."

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POWERPOINT PRESENTATION

Fire Marshal Tim Millspaugh, Fire District #1, greeted the Commissioners and said, “We do have a PowerPoint presentation. I don’t know how to set it up. It’s in there somewhere, isn’t it? Okay. Oh, I could have done that. Okay, anyway, as Chief Curmode alluded to, we’ve been working on this for about three years now. We finally had the Insurance Services Organization representative come in, last June, and do a study, test all of our trucks, how fast does the water dump out of the tender trucks, the tanker trucks, how fast can the guys lay a line and how fast can they shuttle water. That was the main gist of this study was those areas without water, to see how fast we could shuttle that water. In other words, it’s called a hauled water test, or hauled water classification and the guys did very good.

I think what we’re going to learn here, in our final classification for those areas, it’s probably going to be one of the best in the state, and we’ll move on by this. All this work was performed by all the employees of the fire district and the Insurance Services Organization, along with other departments in the county. We’d like to thank the BoCC, county manager, Mr. Lamkey, all of our personnel from the Fire Department, GIS and there are other organizations that help us with this project.

Just to explain a property protection class to you, from the ISO, classes go from one to ten, with one being the most favorable, the best. Ten being as if you don’t have a fire service at all, you get no insurance credit or premium reduction if you’re a class ten, period. Those PPC classes are part of determining insurance premiums, in almost all insurance companies licensed to do insurance work in the State of Kansas.

The classes are based upon, and what they study is our fire department and the proximity to the fire stations. They study the water supply, whether it be hauled water or water within the city hydrant locations, values, things like that and our communications department, which 9-1-1 helped us out a bunch there, we got points for that as well.”

Chairman Sciortino said, “When that says ‘fire department proximity’ to the fire? Is that what the ‘to’ is or what? Go back one. ‘The fire department and proximity to’.”

Marshal Millspaugh said, “They actually study our fire department, all of the equipment we carry, the number of vehicles we have and what also is a big effect is how far is a fire station away from this property that’s being rated for insurance.”

Chairman Sciortino said, “So it’s proximity to the fire water supply, proximity to where they have to dump it?”

Marshal Millspaugh said, “That is correct.”

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Chairman Sciortino said, "Got it."

Marshal Millspaugh said, "That is correct. And who this affects, this new rating that the ISO sent us a letter on, it affects those homes and businesses within five miles of a fire station, but not within 1,000 feet of a fire hydrant or some recognized water supply and those are the people that are within the fire district. Those are the households it will affect.

Just a diagram to make it simpler. This is our currently a class nine. These people that you're seeing on this diagram are currently class nine, will be class five as of July 1st of this year, will be a significant savings, as we'll see later, but water supply to rural homes and that's the people it does affect and feel free to interrupt anytime you want to, along this line.

This is a map that you'll all be provided with. The areas in red are those areas that will be affected by this class change. People will need to contact their insurance agent on their own. We can't do it for them. They'll have to do their own work on this, but they should all get rate reductions if they take advantage of this. Any questions on the map?"

Chairman Sciortino said, "No, but when you said . . . is there a way, a mechanism, and maybe it's Communications or somebody else, that we can't . . . okay, I'll wait, because he is going to talk about it."

Marshal Millspaugh said, "Okay, hold onto it then, thank you and you will get a copy of this map. Just to say who this does not affect, because it does not affect all of the fire district customers. Those homes and businesses within five miles of a fire station and within 1,000 feet of some recognized water supply, hydrant, something that has been recognized, these areas such as within the cities of Haysville, Goddard, Kechi, Park City, they're already a class four or a class three protection class. Other people it does not affect are those homes and businesses outside of the five-mile distance from a fire station. If you are within that parameter, you are a class ten, regardless of whether you have a fire hydrant in your front yard or not. Water makes no difference at that point, so more than five miles, you're pretty much out in the class ten.

And those homes and businesses not within the boundaries of the fire district are not included in this class change. This is fire district only and these distances are as road miles, not as the crow flies. If we could apply it as the crow flies, we would get a lot more homes in it, but it just doesn't work that way with ISO.

This would be a class three or four property, diagram for that, less than five road miles, have hydrants, water supplies. And this would be a class ten property, more than five road miles, you are a class ten and we can use, since we have automatic aid agreement with the City of Wichita, Rose Hill, Andover . . . we have any more, Chief? That's it. Okay, we can use the distances from their fire stations as well, which helps quite a bit out east.

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Okay, the class change, they are currently class nine in these areas. As of 7/1 they will be a class five. Most insurance companies licensed in the State of Kansas consider a property protection class of one through eight as the same rate and that's on residential only, commercial is a whole different ball of wax. Class nine is a big jump in premiums and then class ten again is a very huge jump in premiums, probably almost 100% from a nine to a ten. Typically, we're talking 40 to 50% from an eight to a nine.

Just a sample of Kansas Department of Insurance. They collect data about every other year on what insurance companies that are licensed in the State of Kansas, what they charge on the average. Some of these are two or three, four hundred dollars. What you'll notice, you've got a class three, class seven, class nine and class ten on there. They don't show a class five, but it will be the same as class three and class seven, because one through eight is typically the same."

Chairman Sciortino said, "If there's no financial benefit, what's the reason for having class one, two, three, four, five, six, seven, eight?"

Marshal Millspaugh said, "Well, in residential it doesn't make a difference, typically in Kansas, but when it comes to commercial property, they will have a change for one, two, three, four, so commercial it's a big deal for them."

Chairman Sciortino said, "Got it, okay. Thank you."

Marshal Millspaugh said, "Okay, what this means, with the help of Census Bureau, Finance and the Kansas Department of Insurance, we've figured the average value of a home in the Fire District is about \$108,000, average savings per home because of this class change is about \$400 per year. We've got an estimated 6,600 homes that could be affected by this, if they take advantage of it.

Total aggregate savings, within the Fire District, we've got a potential of 2.84 million dollars a year savings on insurance savings for the Fire District customers and you can figure that five years, figure it ten years, it amounts to quite a bit of money for our citizens, so we're real happy with the rating we got.

As far as business and commercial, it does not affect a large number of commercial properties. Most of our commercial properties are within 1,000 feet of a fire hydrant. They just typically don't build big business outside a water supply because insurance is too expensive, but there are a handful that it will work for, it will do some good for.

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Commercial properties are not consistent, like the residential properties. There are so many variables, whether they're a manufacturing facility, a storage facility, hazardous materials, what kind of processes they do. There's just too many variables. Residential, they can set parameters and they're pretty consistent, so it's not possible for us to set an average savings for commercial. It just depends upon . . . we can get quotes from insurance agents, and advice from them and that's what I've done with the next slide. Talked to an insurance agent, he did run these figures for me on an existing business, a manufacturing facility with a \$2,000,000 policy that would go from a class nine to a protection class five, that would save them \$3,000 a year on their premiums.

A smaller storage facilities with a \$50,000 policy, nine to five class change, it would have saved them about \$1,500 per year. So just a couple of examples on commercial property."

Commissioner Winters said, "Can I ask a question?"

Chairman Sciortino said, "Surely."

Commissioner Winters said, "Now this does apply to a commercial property, or it does not?"

Marshal Millspaugh said, "It will apply to commercial property, if they are within those areas that we're talking about, within the red areas on that map that you will get."

Commissioner Winters said, "I guess I thought I heard you said it didn't apply to commercial."

Chairman Sciortino said, "He said there wasn't that many commercial properties."

Marshal Millspaugh said, "Yeah, there's a handful in those areas."

Commissioner Winters said, "Okay."

Marshal Millspaugh said, "There is a contingency on this, there's always a string, but this string is taken care of. It's already in place, and everything's been planned for. To get this rating in all of the fire district, we needed to provide water in the Andale area, which is where we did fail a hauled water test south and west and north of Andale and if we failed in one part of the fire district, the whole district would suffer. We couldn't haul water fast enough out there, because of distance from the next stations in, but we could place a water tender in Andale to get the rating and that's what we have . . . the chief has given them a letter promising them that's what we will do, prior to the rating taking affect.

We do have a place to store this vehicle, a heated garage. It will not require the purchase of a new vehicle. We have reserved a vehicle that we can put out there that's got 3,000 gallons of water on it. It will not require extra personnel at this time.

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We've got this building, free of a lease, for two years. At that time, we'll have to find another solution, such as building a heated building near Station 31 in Andale, but we're taken care of for the next couple of years. It will be out there prior to July 1st. And I'd like to thank the commissioners, manager, and his staff for their vision and financial support in all this, and bringing all this to fruition. This is really good news. Like I said, I think this is the best rural water rating in the State of Kansas, the Sedgwick County Fire District has come up with and I appreciate all your help."

Chairman Sciortino said, "Well, we do have some questions or comments for you. Commissioner Winters."

Commissioner Winters said, "Well thank you Mr. Chairman. I think the Chairman and I had the same question kind of at the same time, was how are we going to help citizens take advantage of this information. And I know the manager and I just spoke very briefly about it, and so I guess I would ask the manager if he has ideas or suggestions, or is this something we need to put a little task force together to work on. I know notifying 6,600 folks is a lot of notification, but with the potential of saving citizens over \$2,000,000, I think we ought to take an extra step to make sure that they're informed and know how to contact their insurance carriers."

Mr. William P. Buchanan, County Manager, greeted the Commissioners and said, "We have the maps. We will talk to the appraisal department. I cannot imagine that we could not determine the addresses of the structures within the boundary and then the first step of the plan is to have you, in writing, notify your constituents of the potential savings. Now, we're working on that letter, making sure we understand the nuances. We don't want to promise more than we can deliver, but make sure that the citizens have that information. The rest of the plan would, in each of your newsletters that you produce, we would make sure that we want to remind folks that effective July 1st, so I think there's two clear ways that we're going to get this information out and we'll continue to talk, figure out the third part of the plan later today."

Commissioner Winters said, "Well, I think it would probably not be wise to tell them that they will save 'x' amount of dollars, but just to make sure that they know that they've been in a reclass opportunity, that they need to notify their insurance carriers of that."

Chairman Sciortino said, "Potential reduction."

Mr. Buchanan said, "We will work with each of you on the letters that we send."

Commissioner Winters said, "And then to follow up, I think that letter should come from the Commissioners' Office and not the fire district or any place else."

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Mr. Buchanan said, "That's exactly where it will come."

Chairman Sciortino said, "And I agree with that. I think . . . I'm happy to find out that there is a way that we can identify those addresses and I think it would be incumbent upon us to notify them and basically, it's as simple as you know there may be, because of the reclassification, substantial savings in your fire insurance premium and we encourage you to contact your insurance company and let them know of this reclassification and what have you and then . . . if you're talking three or four hundred dollar savings a year, that's a big positive hit, and it's one of those times that actually government can do something to the benefit of the citizen, and not always having that negative connotation that we do things to them and not for them and this is one example, because of our commitment to purchase these tenders and what have you, and that we are doing something positive and it looks like there's a lot of areas that they're going to be very positively impacted and like to get started on letting them know as quickly as possible, because the reclassification goes in in July, and you don't anticipate any problems in complying with that tender, Andale and that . . . whatever we have to do to make sure that that triggers on time?"

Marshal Millspaugh said, "No, that's not going to be a problem. One thing I guess to mention, is with the movement of the stations and the addition of the stations southwest, those numbers, at 6,600 number should increase, because we'll add more red areas into that, once we do those moves."

Chairman Sciortino said, "Would you be able to identify those handful of commercials, because I think we'd like to, if there's a commercial . . ."

Mr. Buchanan said, "We'll see what we can do."

Chairman Sciortino said, "Yeah, if you could do that, we'd like to notify those commercial entities too, if there's a way of doing that. I don't see that there's any other questions, so commissioners, what's the will of the board on this item please?"

MOTION

Commissioner Burtnett moved to receive and file.

Commissioner Winters seconded the motion.

There was no discussion on the motion, the vote was called.

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VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Burtnett	Aye
Chairman Sciortino	Aye

Chairman Sciortino said, "Is there anything else to come before the fire district?"

C. OTHER

MOTION

Commissioner Burtnett moved to recess into Executive Session for 20 minutes to consider consultation with legal counsel on matters privileged in the attorney/ client relationship relating to legal advice and matters relating to employer/ employee negotiations and that the governing body of Fire District #1 return to this room from executive session no sooner than 11:35 a.m.

Chairman Sciortino seconded the Motion.

There was no discussion on the Motion, the vote was called.

VOTE

Commissioner Unruh	Aye
Commissioner Norton	Aye
Commissioner Winters	Aye
Commissioner Burtnett	Aye
Chairman Sciortino	Aye

Chairman Sciortino said, "Thank you. We're now recessed into Executive Session."

The Board of Sedgwick County Commissioners recessed into executive session at 11:19 a.m. and returned at 11:36 a.m.

Chairman Sciortino said, "Let the record show that there was no binding action taken while in Executive Session. Is there anything else to come before the Board? This meeting is adjourned."

D. ADJOURNMENT

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There being no other business to come before the Board, the Meeting was adjourned at 11:37 a.m.

**BOARD OF COUNTY COMMISSIONERS OF
SEDGWICK COUNTY, KANSAS**

BEN SCIORTINO, Chairman
Fifth District

LUCY BURTNETT, Chair Pro Tem
Fourth District

DAVID M. UNRUH, Commissioner,
First District

TIM R. NORTON, Commissioner
Second District

THOMAS G. WINTERS, Commissioner
Third District

ATTEST:

Don Brace, County Clerk

APPROVED:

_____, 2006