

JEFFERSON COUNTY FIRE DISTRICT NO. 3

PORT LUDLOW FIRE & RESCUE BOARD OF FIRE COMMISSIONERS SPECIAL MEETING MINUTES

May 26, 2009

CALL TO ORDER:

Board Chair Commissioner Robert Pontius called the special meeting of May 26, 2009 Board of Commissioners for Port Ludlow Fire and Rescue, to order at 10:00 a.m. at Station 31 located at 7650 Oak Bay Road, Port Ludlow, Washington.

Commissioners present were Board Chair Robert Pontius, David Wheeler, Mike Porter and Gene Carmody. Administrative Staff present was Chief Ed Wilkerson.

CALL for the FLAG SALUTE:

The Pledge of Allegiance to the Flag of the United States of America was led by Pontius.

CALL for APPROVAL of the AGENDA:

Pontius called for approval of the Agenda. Wheeler moved to approve the agenda as written, Carmody seconded. Motion carried.

BUSINESS BEFORE THE BOARD

2009 ~ 2010 ESIP Insurance Renewal Proposal

Chief Wilkerson presented the proposal from Brian Edgren of Edgren Hecker & Lemmon Insurance Inc. The total premium for the twelve month period beginning June 1, 2009 is \$23,292. Wilkerson informed the Board that this represents a nearly 14% increase from the premium for the last twelve month period. The premium increase includes standard valuation increases to property, apparatus and equipment as a result of inflation and also includes a terrorism rider that amounts to \$212. Discussion on why the large increase ensued with Wilkerson explaining that Mr. Edgren had done considerable work to get the premium increase down to the level presented. **MOTION:** Wheeler moved to accept the proposal to include the terrorism coverage. Carmody seconded the Motion. Discussion on the motion: Carmody stated that he would like to hear from Roger Neal or Brian Edgren directly. The vote was taken and resulted in two ayes and two nays, with one abstention. The Motion failed.

Chair Pontius directed the Chief to attempt to get Roger Neal or Brian Edgren on a conference call and called for a 10 minute recess at 10:35 a.m.

Chair Pontius called the meeting back to order at 10:50 a.m. and Wilkerson introduced Brian Edgren from Edgren Hecker & Lemmon Insurance via conference call. Mr. Edgren explained that while he did attempt to get the premium increase lower than the proposal, the underwriter was unwilling to reduce it further for the following reasons.

- a) The insurance industry makes its profit primarily through investment income and premiums. With the current economy, investment income is down significantly, leaving premium increases as the primary method of balancing the model.
- b) Normal increases in annual valuations to keep pace with inflation increases our premium, as our insured value is higher.

- c) The largest portion of the increase is due to a significant claim that the fire district incurred with the generator failure and resulting power back surge. This represents a 155% loss ratio.

Commissioner Porter asked Mr. Edgren if increasing our deductible from the current \$1000 per claim would have any impact on the premium and Mr. Edgren responded that he was not sure that we could increase above \$1000, but even if it were possible, that he believed that any premium reduction would be negligible. The Board thanked Mr. Edgren for his time and the conference call ended. **MOTION:** Pontius moved to accept the proposal from ESIP for insurance coverage to include the terrorism coverage. Wheeler seconded the Motion. The Motion carried unanimously.

Commissioner Carmody requested that in the future efforts be made to get the renewal proposals in a more timely manner.

Chair Pontius called for a five minute recess at 11:00 a.m.

Chair Pontius called the meeting back to order at 11:05 a.m.

Review of the Port Ludlow Fire & Rescue Master Plan and Discussion.

Chair Pontius asked Chief Wilkerson to introduce the master plan discussion. Wilkerson reviewed the status of progress that has been made as it pertains to specific action items suggested by the plan. Discussion began with Board members discussing their views on the action items. Chief Wilkerson suggested that it might be more productive for the Board to focus on the potential strategies listed on pages 129 ~ 136. Commissioner Carmody stated that most of the action items listed on pages 139 ~ 141 were operational issues that staff would be working on and reporting progress. Chair Pontius then led a discussion on the four strategies:

- A. Status Quo
- B. Tiered Response Performance Levels
- C. Reinvent the Volunteer Program
- D. Create an RFA or Consolidation

Out of the discussion, general consensus was that we should never accept the status quo as a strategy; we need to always look for ways to improve our service and look for ways to be efficient in how we achieve the mission. The Board discussed the concept of tiered response performance levels and decided that they did not like the word "tiered" to describe a model that in essence states that the further you live from a fire station, the longer a response will take. It was also noted that if we are formally adopt a standard that incorporates this concept, we need to communicate to our citizens why we are doing this and let them know what they can expect regarding levels of service and that we need to do a better job of educating them in what services the fire department provides. The next item that the Board discussed was the volunteer program. It was strongly felt that continuing to build and reinvent the volunteer program needed to be a high priority. Wilkerson told the Board that this was one of two primary assignments that AC Coggan was working on. Moving to the discussion of the fourth strategy, Board members reiterated their desire to continue to seek out partnerships with neighboring fire service agencies that were based on mutual respect and benefit.

Adjournment:

There being no further business, Pontius called for adjournment at 12:15 p.m.

JEFFERSON COUNTY FIRE PROTECTION DISTRICT NO. 3

SIGNED: BY: absent
Commissioner Robert Pontius, Chairman

BY: William Hansen
Commissioner William Hansen, Vice Chairman

BY: Gene Carmody
Commissioner Gene Carmody

BY: David Wheeler
Commissioner David Wheeler

BY: Mike Porter
Commissioner Mike Porter

ATTEST:
By: William Hansen
William Hansen, District Secretary

RECORDING SECRETARY:
By: Ed Wilkerson
Ed Wilkerson, Fire Chief

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