

**BLACK DIAMOND CITY COUNCIL MINUTES**  
**Council Special Meeting of March 11, 2021**  
**Virtual Meeting Via Zoom**

**CALL TO ORDER, FLAG SALUTE:**

Mayor Benson called the special meeting to order at 5:30 p.m. and led us all in the Flag Salute.

**ROLL CALL:**

**PRESENT:** Councilmembers Deady, Oglesbee, Wisnoski, Stout, de Leon, and O'Donnell.

**ABSENT:** None

Staff present: Andrew Williamson, MDRT/Ec Dev Director; Jamey Kiblinger, Police Chief, Mayene Miller, Finance Director; David Linehan, City Attorney; and Brenda L. Martinez, City Clerk/HR.

**WORK SESSION:**

**1) Continued Discussion on Fire Service Options**

MDRT/Ec Dev Director Williamson reported on what he was tasked with for this project. He noted Mayor Benson asked that all areas be looked at in terms of expenses for each option. The next steps for Council would be to choose options and work with other staff to look at research that shows how funding would look for each option.

Mr. Williamson turned the meeting over to Martin Chaw to run Council through the second presentation on the options.

Mr. Chaw discussed that part 1 of the presentation shared preliminary results of the fire services analysis and shared the early estimates of what it would cost. He explained that tonight's session will focus on the fiscal impact for each option. He noted towards the end of the presentation is the timeline for each option.

Below are the topics/highlights of the discussion:

- Where we left off and what has changed
  - Future Lawson Hills fire station analysis has been included.
- Review of historical calls for service
- BD Fire Station Operating Costs (S98+S99)
- BD Fire Station Operating Costs (S98+S99+LH)
- City Operated Fire Department
- Top General Fund Sources of Revenue

- City Revenue Options
- Utility Tax Options
- Sales Tax Options
- Property Taxes and the \$3.60/\$1K AV Limit
- What Happens to Property Tax Levy if Annex to MVFD or PS RFA
- What Happens to Property Tax Levy if Continue MVFD Contract or Own Fire Department
- Local B&O Tax Rates for Cities (as of Jan 2021)
- Marijuana Excise Tax and State Shared Distributions
- Scenario #1: Continue Contracting with MVFD (includes future Lawson Hills Station)
- Scenario #2: Form Own Fire Department (includes future Lawson Hills Station)
- Scenario #3: Annex to MVFD
- Scenario #4: Annex to PS RFA
- Discussion on how the property tax calculation works
- Conclusions
  - Continuing to contract with MVFD is lowest cost alternative and preserves City's property tax capacity
  - Fire services funding strategy should also consider future non-fire needs
  - To meet City future needs will likely require a combination of strategies (e.g. property taxes, utility tax, other taxes or sources of revenue)
  - Can adjust revenue strategies as City property, sales, and utility tax basis increases
- Other Options
  - Reduce General City services to fund fire services (increased cost of MVFD contract or own fire department)
  - Reduce general City services due to loss of property tax revenue (shift in property tax levy capacity from City to MVFD or PS RFA)
  - Limit station operations to only one station
    - Do not open new Lawson Hills station
    - Consolidate operations to a single station (S98 or LH Station)
    - Look to operate 2<sup>nd</sup> station at future date when City tax revenues are sufficient
- Review of three example revenue scenarios
- Discussion on what are our most viable options moving forward.
- Property Tax and Fire Services Survey (cities between 9K-10.5K) General Fund Levy only
- Utility Tax survey
- Key take aways from the survey
- Implementation timelines for each of the four scenarios
- FCS Group prepared and transmitted a written executive summary to Council
- Executive Summary report is a stand-alone report and it was asked could the PowerPoint and those be combined.

Mayor Benson announced the next step would be for Council to discuss setting up a meeting for further discussion on the options presented.

**ADJOURNMENT:**

Councilmember Deady **moved** to adjourn the meeting; **second** Councilmember Wisnoski. Motion passed with all voting in favor (6-0).

The meeting ended at approximately 8:11 p.m.

ATTEST:



---

Carol Benson, Mayor



---

Brenda L. Martinez, City Clerk