

Executive Development

Alternative Financing Considerations for a Training Facility/Relocated Station

For the Pekin Fire Department

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Pekin Fire Department

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Certification Statement

I hereby certify that this paper constitutes my own project, that where the language of others is set forth, quotation marks so indicate, and that appropriate credit is given where I have used the language, ideas, expressions or writings of another.

Signed_____

Abstract

The Pekin Fire Department has been mandated to conduct training activities without the availability of a training facility. The purpose of this research has been identifying sources to secure funding alternatives to build a relocated station with a regional training facility. Descriptive method used answering what private industry monies are available to assist, what federal, state, local dollars are available to assist, different funding mechanisms available, what the City has used prior for capital expenditures and what happens to this project if all avenues of funding don't work out.

Literary reviews, interviews and questionnaires were used in the research. The results were to start reviewing the needs and costs, then send out RFP's to local banks for potential financing proposals.

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Introduction

As the emergency response incidents continue to change in the fire service, it is necessary that fire fighters continue to train to keep up with the ever changing requirements of the occupation. To do this, fire departments have to maintain up-to-date facilities to train their fire fighters to the ever changing and increasing list of emergency response calls. These facilities must be constructed to provide for a wide array of training, from the basics to the most technical, from the classroom to the simulated emergency scene and from the fire service to multi -jurisdictional. (I.e. other city departments, private industry, neighboring fire departments)

Local fire and EMS departments must take a long look at the diverse range of techniques available to them, and contemplate which ones may be beneficial to add to their existing toolbox of resources. This is a life safety issue. You cannot put out fires or respond to other types of emergencies without the resources and equipment to perform these tasks, and those forces and equipment depend on funding. Raising adequate revenues is as important for life safety as providing the proper training. (United States Fire Administration-Federal Emergency Management Agency 1999) Funding capital improvement projects has become difficult due to the ever shrinking municipal capital budgets and the increase in services to the citizens.

The research problem is that the Pekin Fire Department has been mandated, as per departmental requirements, to conduct technical and manipulative training without the availability of a new station/training facility. This facility will require a funding

mechanism to complete and the City of Pekin has limited amount of funds in the Capital Budget, which may not be sufficient for this type of project.

The purpose of this research is to identify sources to secure funding to build a relocated fire station with a regional training facility included for the Pekin Fire Department.

Description research will be utilized to answer the following questions:

- a) What private industry grants/foundations are available to assist with construction of this facility?
- b) What federal, state and local monies are available to assist in the construction of this facility?
- c) What types of funds are available if we construct a facility for training, fire station relocation, Emergency Operations Center, Police Substation and Fire Department Administration offices?
- d) What resources has the City of Pekin utilized in past years to fund large projects similar to this one?
- e) What are the implications of financing this project if all other avenues do not work out?

Background and Significance

The City of Pekin was founded in 1829 by the Jonathon Tharp family. Although travelers and Native Americans frequented the area now known as Pekin, it was not until 1824 that Jonathon Tharp built a small log cabin on the eastern bank of the Illinois River

and later encouraged his father, friends and other family members to follow him to this site. In 1829, a County Surveyor named William Hodge laid out the area which is now known as the earliest boundaries of the City of Pekin, IL. The town was originally called “Town Site”, but was later given the name of Pekin. Many feel that this name was chosen because the city was considered a sister city to Peking China or “City of the Sun”.

Commercial development had begun in this town as early as 1827, strongly due to the fact that the city is located on the Illinois River and the steamboat trade was a growing factor in the local economy.

Pekin built its first school house in 1831 and the Post Office opened for business in 1832. After a disastrous fire in March of 1860 that destroyed both sides of the 300 block of Pekin’s downtown district, the City of Pekin Fire Department was founded. In the summer of 1860, three volunteer fire companies were created: Independent Hook and Ladder Company #1, Rescue Company #1 and Defiance Hose Company. On May 5, 1860, the City of Pekin let a contract in the amount of \$1,225.00 for the construction of the first firehouse in the city, which was located in the 300 block of Ann Eliza Street. In July 1861 the City of Pekin passed an ordinance giving each fire company \$75.00 per year as a retainer and on October 6, 1862 passed another ordinance paying the first fire company to arrive on the scene of a fire a \$10.00 bonus.

In 1884 all three fire companies were merged into one company, which was given the name of the “Wide Awake Hose and Engine Company” with W.O. Oswald as its first Fire Chief. Chief Oswald was followed by William Braeden and in 1889 Julius F.

Jaeckel, a member of the department since 1881, was appointed as Fire Chief, a position we would serve in for the next fifty (50) years, retiring in 1939.

By 1894, the Wide Awake Hose and Engine Company became a partially paid department with the Fire Chief earning \$300.00 per year and his fire fighters earning \$40.00 per year. By 1906 the fire fighters salary skyrocketed to \$100 per year. On May 7, 1907, the now named Pekin Fire Department became a full-time paid department with Fire Chief Julius F. Jaeckel, 4 fire fighters and 5 paid relief men.

Many changes have occurred since the birth of our department almost 150 years ago. The City of Pekin has had a growth explosion and the jurisdictional boundaries have split at the seams. There have been many disastrous fires in which the Pekin Fire Department has responded to and mitigated. There are several similarities of today's Pekin Fire Department to our fore fathers of yesterday's Pekin Fire Department. One of those similarities is the need of upgraded station facilities with the inclusion of training facilities.

Training is the backbone of any fire department and it can determine the direction in which the department will move to in the future. The Pekin Fire Department was born into existence on June 17, 1860 and later became a fully paid fire department May 7, 1907. Since the very start, facilities and training activities have been paramount to the mission of the department. As a matter of fact, a letter to the editor written in 1943 to the Pekin Daily Times recalled of an elderly citizen's grandmother telling her about how the early Pekin Fire Department used to set up the fire equipment every Saturday in the downtown area to demonstrate their proficiency and dedication to providing the very best

service to their community. The letter spoke about a young fire fighter, which week after week in their demonstrations, stood out head and shoulders above all the rest. This young fire fighter soon became the first Fire Chief of the organized Pekin Fire Department; his name was Julius F. Jaeckel. His dedication and drive for continual training opportunities never ceased throughout his 50 years as the City of Pekin Fire Chief.

The lack of financial resources to fund the construction of a structured, dedicated training center within a relocated station affects the service provided by the Pekin Fire Department to the citizens of Pekin. The Pekin Fire Department employs 52 uniformed fire fighters responding from 3 stations strategically placed within the City of Pekin. Within these stations the Pekin Fire Department responds two truck companies, two engine companies, a light rescue vehicle, a rescue boat, a HAZMAT trailer and a technical response team. The stations also house the fire department administrative offices, fire prevention bureau, maintenance/fleet manager and training bureau. The Pekin Fire Department provides services in fire suppression, fire prevention, emergency medical services at the Intermediate level, hazardous materials response technicians, technical rescue technicians, a monthly child car seat installation check point and water rescue to a population of 33,900 citizens within the 15.7 square miles of the City of Pekin and approximately 5,000 citizens within the 28.6 square miles of contractual fire protection district, also covered by the Pekin Fire Department. The lack of funding to provide a dedicated training facility, within the relocated fire station, for the Pekin Fire Department has had an impact on the Pekin Fire Fighters as they have no centralized

location to conduct technical training activities for mandated continuing education. The lack of facilities also has impacted the much needed manipulative training mandated by the department, the state requirements and ISO (Insurances Services Offices) guidelines. Some of the training activities that have been unavailable for the Pekin Fire Fighters, due to the lack of facilities, have been live fire training, water drafting operations, multi-company operations, confined space rescue operations, high angle rescue and other opportunities to train on skills which are vital to continuing high performance with their duties and their responsibilities to the community.

In the past the Pekin Fire Department had a burn tower, which was constructed in 1959 with the construction of Station #3. The tower was used extensively for live fire training, search and rescue evolutions, ladder training evolutions and some repelling operations. Because of the extensive usage of the burn tower for live fire evolutions, the tower was structurally decomposing and had to be abandoned totally for any training in 1982. The tower was condemned and demolition was completed by the end of 1985. The Pekin Fire Department has not had the benefit of having such a wealthy tool since that time. The Pekin Fire Department also has two stations which were constructed in 1959 and both are in dire need of major repair or consideration of replacement. Station #2 is located on the north side of the City of Pekin at the intersection of North 14th and Willow Street. Station #2 is the smallest square footage of the fire department's stations and it houses a minimum of 4 fire fighters on an Engine Company and a small Rescue Squad. This is slightly the busiest station in the City of Pekin.

Station #3, also constructed in 1959, is located on the south side of the City of Pekin at the intersection of Derby and Maple Street. Station #3 covers the majority of the oldest section of the city as well as all of the heavy industrial area of the city. Within the industrial businesses in this area are the second leading ethanol producers in the world, another alcohol production facility, a steel fabrication facility, a machine works foundry, a large brass foundry and 1538 megawatt power plant to name a few. This station houses a minimum of 5 fire fighters who respond on an Engine Company, a 100 foot ladder platform and 20' Rescue Boat. Of the three stations, this is the one that is in the most need of attention to be replaced to a location with a larger piece of property to again accommodate a much needed training facility. This station is a close second in total calls, but by far, runs more fire calls than the other two stations.

Station #1, constructed in 1976, is located at the intersection of Entrance Drive and Court Street on the upper eastside of the City of Pekin. This area is the section of the community, which is expanding the most with residential, business and commercial construction. As expected, Station #1 covers the majority of the commercial business in the city. This station houses a minimum of 3 fire fighters who respond on a 55' telesquirt aerial apparatus. Also housed in this station is a 35' HAZMAT trailer, a light duty Brush Truck, a Technical Rescue Trailer, a Reserve apparatus and a Fire Prevention Safe Escape House. This station houses all of the administration offices, the old Emergency Operations Center, Fire Prevention Bureau, Maintenance Coordination/Fleet Manager, Training Bureau and a utility storage area for equipment. Although this is the newest of the three stations, it is also in need of repair work. The station was built with federal

dollars by federal specifications and it had little to no input from local authorities as to where it was to be built and how. During the construction project, the crews had to utilize several large sump pumps to pump the water out of the dug out basement area just so they could pour the foundation of the structure. The facility was built on an active natural spring. When the station was originally constructed, it also housed the Emergency Services and Disaster Agency (ESDA) and was considered the Tazewell County Emergency Operations Center. This was all constructed in the basement of this facility along with classrooms and offices to be utilized for technical training activities. Because of the above mentioned natural spring concern, the basement, soon after construction, had some severe hydrostatic water seepage into the basement through the walls and the floors. This problem created the inability to use the rooms for training when the water was filling up the floors and some legitimate concerns of what the moisture in the air was doing to the air environment for the possibility of occupying the area for training purposes. In 2003, the Illinois Department of Labor did a routine inspection of all City of Pekin buildings and, at that time, ruled the basement which was set up for the Emergency Operations Center and training rooms was uninhabitable due to water problems and mold on the walls and generally in the atmosphere.

Although all of the concerns cited have been remedied, but the lack of a training facility still exists for the Pekin Firefighters because the area had to be gutted of flooring, wall coverings and ventilation ductwork. The lack of a training facility has had an impact on the Pekin Fire Department's ability to achieve its mission to the fullest in serving our community. There are some basic firefighting training skills required to provide safe and

efficient firefighting activities and operations for the citizens of Pekin and to ensure the safety of the Pekin Fire Fighters that can not be conducted due to the lack of facilities. The smaller departments around the City of Pekin, both within Tazewell County and Peoria County, are in the same position. The closest burn tower to the Pekin Fire Department is approximately 30 miles away, which makes it virtually impossible to send our fire fighters there for the mandated training. The cost alone is prohibitive, not even giving consideration to having, at minimum, a third of our staffing over 45 minutes out of the city in the event of a second alarm. With the ongoing changes in national standards and mandates, as well as local mandated demands, the necessity for essential skills training continues to be a major concern for all departments whether they are volunteer or career.

As the impact to our citizens and our fire fighters are considered when looking at the need for this joint facility, it becomes more and more evident of the importance of not having adequate training facilities to train with. It is the responsibility of the Pekin Fire Department to ensure that the fire fighters employed there have every opportunity to receive the appropriate training that builds a good foundation of basic fire fighting skills, making sure to emphasize that fire fighter safety, in all venues, is paramount. By not being afforded the proper tools (facilities) to carry out this important objective, the fire department is falling farther behind the increasing demands of the community and set mandates for emergency medical services, hazardous materials response, technical rescue, fire suppression and even fire prevention.

Currently, the Pekin Fire Department trades services with the Pekin Park District to ensure that we have a training room in the center of the community that all of the stations can gather to conduct technical training activities. To complete this task, it is necessary to transport all of the mandatory books, power points, projector, screen and props to the facility daily and the room must be set up, torn down and cleaned daily before training is completed. This room must be scheduled in advance and if the day has to change, due to unforeseen circumstances, the room may not be available at an alternate time and date. This ripple in the schedule can create quite a disruption in the flow of training for the troops. There are also some major concerns in the manipulative training activities that the Pekin Fire Department can conduct due to the lack of resources to train with. At present time the Pekin Fire Fighters have to conduct the majority of hands on training on the city streets. The simplest of training evolutions, as laying a line from a fire hydrant, can create some legitimate safety concerns for fire fighters since they must perform these training activities on the streets. One particular instance pertaining to this subject was when a citizen in a Yugo (compact vehicle) tried to drive over a section of large diameter hose in an attempt to drive down a street, which had been blocked off by barricades for training. The only way that we caught the vehicle operator was because the car got stuck on the hose and was teetering on it. The driver was ticketed and fined, but it brought to the surface even more strongly the need for a dedicated training facility, within the station relocation. for fire fighter safety.

As mentioned earlier, the opportunity for live fire training for the line fire fighters is almost impossible to carry out. Even though the Pekin Fire Department is relatively a

small department, the impact of rental fees for a burn tower, the cost of overtime to send sixteen (16), or one third of the department, to a location 30 miles outside of our jurisdiction, the cost of transporting all of the props and personnel to the training site and all of this multiplied by three to cover all three shifts makes it an extremely difficult task to complete due to financial constraints alone. As mentioned earlier, and even more important than financial concerns is that allowing one third of the staffing to leave the city boundaries for training purposes would not be acceptable. The crews would be, at minimum, 45 minutes away in the event of an extra alarm emergency of any kind.

The City of Pekin leaders must set their sites on the future of the citizens and providing adequate public safety as an essential service. It is of utmost importance to the citizens and the Pekin Fire Fighters that, as a part of looking to the future, we look at providing the essential tools to train properly. If the fire department does not have a burn building/tower, adequate classrooms and support facilities, the fire ground efficiency and fire fighter safety will be compromised because of the lack of essential training drills. This will ultimately affect not only the Pekin Fire Department, but also the citizens of Pekin due to increased fire loss, fire ground injuries and possibly life loss. The research of securing funding for a relocated station, with a dedicated training facility, directly affects the operational objectives of the United States Fire Administration (USFA) “to reduce the loss of life from fire of fire fighters.” By having this facility available for the Pekin Fire Fighters to conduct the appropriate mandated training, both technical and manipulative, will help to enhance fire ground safety, which will in turn reduce fire fighter injury. It will also educate fire fighters in safe emergency scene operations so as

an end result there will be a reduction in life loss. There is also a direct relationship of securing alternate funding mechanism to the Executive Development coursework. In Chapter I of the course text it documents certain characteristics of Leadership. The first area noted is that of “Creative Leadership”, and two of those areas subtitled are “Does the leader create opportunities?” and “Is the leader resilient, especially following failure?” The alternate funding mechanism does create new opportunities that are beyond the normal capital improvement funding mechanisms. This research will review others’ avenues to assist in opening new doors of creative financing ideas to bring the construction project to fruition. It also addresses resiliency of a good leader in the face of failure or, at very least, a setback. By adding more avenues of opportunity for alternative funding it will also broaden the opportunities for a successful project. Chapter I also documents the ideals of a “Visionary Leader” and asks the questions “Does the leader have a futuristic perspective?” and “A vision?”. The alternative funding research will show that the Pekin Fire Department is looking towards the future, not only in the relocation of station facilities, but also in creating a training resource to address the training needs of, not only yesterday, but today and as important as tomorrow. It will also illustrate the idea of not accepting the standardized funding mechanism used historically in the City of Pekin for capital expenditure projects, but to push ahead and pursue unique and alternative funding mechanism that have not been considered in the past relates to the ideals of leadership, innovation and managing change relayed throughout the Executive Development Curriculum.

The research that will follow will look into potential alternative funding mechanisms available for municipalities to fund the construction of a relocated fire station and training facilities. The research project will utilize the Descriptive Research method to answer the noted questions of the project.

Literature Review

The fire service has continually been asked to do more with less. Throughout the history of the Pekin Fire Department, the department has been required to review the budgets, both capital and operating, and cut any of the extras to create a lean budget proposal. The product of historically doing more with less, creating the lean budgets and neglecting the capital purchases that should have been two, three, five years earlier, are pieces of equipment that is patched together to function and facilities that are falling apart and extremely inefficient. Fire departments, as well as municipalities, across the nation are dealing with budgets where the revenues for capital improvement projects are shrinking and in some areas dried up. The fire service continues to be a very progressive force in public safety and as the technologies continues to move into the future it is paramount to assure that fire fighters maintain adequate training to perform their duties as safely and effectively as possible. Fire department facilities are becoming more aged due to this funding cut back. Alan A. Moritz, of the Tucson Fire Department found that there are several fire departments now using their training facilities close to thirty years. These facilities have become old, worn out and can become a safety hazard to the fire fighters who are mandated to train in them as their only resource for training tools (Moritz, 2000,

pg. 38). As facilities wear out they become much less efficient. The emergencies that we approach and even the way we approach these incidents in today's emergency response has changed over the past few decades, but the resources that we have available to teach our fire fighters have not caught up due to funding restraints. Thomas C. Lakamp, Training Officer of the Cincinnati Fire Department, stated that the lack of funding in the area of training has impacted the past and present level of training in the fire department. He goes on to point out that without proper funding to address the training resource needs, the impact on the future of the department training needs can be expected as well. (Lakamp, 2005, pg. 8)

A regional training center will help to address several of the concerns associated with not having adequate training facilities within the jurisdiction. Mountain View Fire Department (California) was confronting the same concerns with having to send fire fighters out of the jurisdiction for the mandated training. Fire Chief Hugh Holden noted that most of the training facilities were built in the 1960's and they are rapidly falling to disrepair. Chief Holden was working with area departments and the local Mission College to set up a regional training facility and classroom facilities. The regional training center would feature realistic props and buildings, including a fire training tower, railroad tank cars, a tanker truck, aircraft rescue area and a burning vehicle area. Chief Holden was able to solidify funding from the Mission College Chancellor's office (5-7 million dollars) and he was in discussion with NASA Ames for financial support. It was also noted that the facility would centralize fire training, reduce redundancy and have a full-time college staff to help manage the training. (Wakerly, 2000) Having this

available would also reduce the costs associated with sending fire fighters out of the jurisdiction for mandated training evolutions, as well as keeping the required staffing in the jurisdiction in the event of a multiple alarm emergency. This is not only an avenue to reduce the training costs, but it also offers an alternate funding source with an educational resource and the support of other regional departments to help subsidize the cost of the training facility through training rental fees.

When considering capital budget expenditures there are a few different avenues to look at to assist in the funding of these projects. Some of those ideas could be grants, bonds, tax increases, fees, annexation of additional properties and traditional financing. It should be noted that even under the best of circumstances, preparing an operating budget requires an enormous amount of time and energy. Then when the added task of preparing a capital budget is undertaken, the energy that must be dedicated to both projects could jeopardize the quality of deliberations on both projects if due process is not given properly. (Vogt 2004)

One area that was reviewed was the Assistance to Fire Fighter Grant (AFG) through the Fire Act Grant program. The federal assistance afforded to the fire service through the AFG has some limitations placed on it for the use of the funds budgeted for 2006. The construction of facilities, which include classrooms, buildings and towers are not eligible to receive funding under the current guidelines of the Fire Act Grant (Office of Domestic Preparedness and the United States Fire Administration 2006). The grant can, however, cover some of the equipment utilized for training which can help to soften some of the budget shortfalls. The Fire Act funding is very useful in assisting in

acquiring vital equipment for fire fighters safety. The appropriations for 2007 fiscal year has passed the House, with a \$543 million total which is \$2 million less than the 2006 fiscal year, but \$250 million more than the Bush administration wanted. (Firehouse 2006)

Bonds are another area in which municipalities can look at to complete funding requirements for capital projects. This is also considered pay-as-you-use financing. When using bonds to finance, community officials need to decide when to use General Obligation (GO) bonds, which are backed by taxing power of local government and when to use Revenue bonds, which are backed by revenue producing projects. General Obligation (GO) bonds continue to be widely used for general purpose infrastructure such as streets and road improvements, facilities that are used directly by the public, such as parks and recreational complexes, projects associated with new initiatives and other projects that have broad public or community support and that are likely to be approved by the voters in a referendum. (Bonds and Borrowing, 2004)

The City of Loveland, Co. and the City of Cary, N. C. both implemented the usage of impact fees or capital expansion fees to address the capital budget expenditures. The importance of impact fees in Loveland's overall capital budget is apparent from its 2001 Capital spending. Of the \$16.4 million in total capital project spending in 2001 for the general capital improvements, \$5.4 million, or almost one-third, comes from the City of Loveland's capital expansion fees for streets, parks, fire and rescue and general government projects. The City of Cary is much the same in that the capital expansion fees are a vital addition to financing capital projects. Cary, N.C. receives approximately

\$6.6 million or 12% of the funding of the town's general public improvements through these capital expansion fees. (Vogt, 2004)

Fire fees are another way in which some communities have utilized to fund fire department capital projects. Morgantown, West Virginia City Council passed a service fee increase to fund the construction of a new North Side Fire Station. The increase was 8% in November 2006 with another increase set to be imposed in July 2007 of an additional 8%. The 16% increases will help repay a \$2 million bond, which is the expected cost of the station and all of the equipment in the new station. (Gray, November 22, 2006) Fees are a wide topic that can be investigated by key officials when reviewing alternative funding mechanisms. Some other types of these fees include small revenue producers such as fees for permits for new construction, special events and any type of hazardous material functions to fees for inspections and code violations. Fees can also include special services for which charges have not been incurred in the past, such as pumping water out of a flooded basement, rescuing a boater or hiker, charges for vehicle fires or extrication for non-residents to fees for virtually any type of service that a fire department performs. Probably the most lucrative new, upcoming category of fees being levied are those that are associated with emergency medical service transport and emergency medical response. (United States Fire Administration, Federal Emergency Management Agency, 1999)

Redevelopment Districts/Tax Increment Financing (TIF) Districts are also ways to develop funds to assist in the completion of capital projects. Redevelopment agencies were originally intended to provide financing for "slum clearance" and infrastructure

provision for blighted areas in the large urban areas. These types of financing tools generally cannot be used for the completion of capital projects, especially training/station facilities. (Bonds and Borrowing, 2004)

Finally, traditional financing, or borrowing, is also an option to complete capital improvement projects. In addition to the familiar bonds used for purchasing Capital equipment, facilities or other type of “capital improvement projects” are “certificates of participation” (COP’s). They operate in the same manner that a traditional home mortgage operates. These can be utilized to purchase equipment, facilities and other capital expenditures when the local jurisdiction is not allowed to use the more conventional debt mechanisms. (United States Fire Administration, Federal Emergency Management Agency, 1999) Traditional financing is also considered the same as a mortgage and would be based on the value of the project and would be backed by the property and the credit rating of the City. There are several different types of bonds, but in the example you gave me I would think a general obligation bond would work. A General obligation bond is backed by the taxing authority of the city, meaning the bond repayments are based on the financial condition of the city (determines rates) and you can normally obtain much lower rates on a bond since you are pledging the ability to tax in order to meet your obligation.

The City of Denton, TX built its seventh fire station to meet “green” standards incorporating operating windows in employee sleeping areas and an external lighting source to help conserve energy normally used to power lighting. The station places heavy emphasis on water development, water savings, energy efficiency and indoor

environmental quality. The station will employ rain water harvesting through the use of four 5600 gallon cisterns, which will be used to irrigate the property landscape. It will also be the first city building to use geothermal heating and cooling in its building design, which again enhances the energy efficiency dramatically. (Dallas Business Journal, August 28, 2006)

Several departments have looked at alternate funding sources outside of the general fund resources. It appears that the most popular of these funding mechanisms still seems to be the General Obligation (GO) Bonds, although capital improvement fees are starting to gain some interest. Raising taxes of any kind are very unpopular, both with the elected officials and the general public. Most people want to diversify the costs of the long term capital project into long term financing, bonds and through capital improvement fees so that those who impact the services offered help to pay for the new needs and the impact that these additional areas have on the existing services.

Procedures

The procedures utilized for this Applied Research paper started with a literature review while I was attending the Executive Development Course. While there, I made several visits to the Learning Resource Center at the National Fire Academy in Emmetsburg, MD. The Learning Resource Center on-line catalog was utilized to search for relevant publications addressing alternative financing or avenues of securing funding for fire station/training center relocation and/or new construction. The internet was also used to secure several resources for the paper.

Next, when returning back to Illinois a visit was made to Barnes and Noble bookstore both on-line and to the book store in Peoria, IL. I looked for research material that dealt with the following subject matter: alternative funding mechanisms of capital projects, government capital project budgeting, financing of fire stations and fire training facilities. The results of these searches came up with several website articles and just a few books. There were three (3) books in particular that looked to have some good specific information on this topic so I purchased them and two (2) of those are listed in the resources. These books were read and reviewed for the purpose of gaining insight on alternative financing methods for capital projects.

A personal interview was conducted with Charles “Chic” Renner who serves as the Treasurer for the City of Pekin, IL. Mr. Renner was chosen because of his position as the City of Pekin Treasurer. He serves as the Chief Executive Officer with Commerce Bank for sixteen (16) years from 1977-1993, he taught high school for seven (7) years, he worked for the Illinois Department of Revenue in the Lottery investment and disbursement and from 1993 to present he has owned and operated Renner Financial Services. Mr. Renner has been in charge of financial investments, among other financial duties, for the City of Pekin for the past three (3) years. He is also charged with investigating and finding the most prudent avenues to acquire funds for capital projects. Mr. Renner was also chosen to be interviewed based not only on his vast years of experience in the financial industry, but also because he is a lifelong resident of Pekin and has been extensively involved in city government. The interview was conducted Monday, January 8, 2007 in Mr. Renner’s office located at Pekin City Hall. The

following questions were asked of Mr. Renner and the questions that he needed time to research he returned back to me the next day:

- 1) How are capital projects currently funded in the City of Pekin?
- 2) Who decides the priority as to what projects get funded and when?
- 3) What are the different funding mechanisms available to the City of Pekin?
- 4) Will the City of Pekin enter into a long term loan? Why or why not?
- 5) What administrative actions need to occur for the City of Pekin to accept financial donations from industry?
- 6) What is your best idea to fund this type of capital project?
- 7) Give a brief description of what the process would be to secure a loan (or bond issue) for the aforementioned project. Do you believe it would be successful?

A personal interview was conducted with Daryl Dagit. Mr. Dagit is a City of Pekin Councilman. Councilman Dagit has served in financial management positions for the past eighteen (18) years and more than twenty (20) years of experience in the financial industry. Councilman Dagit currently works as the Peoria, IL Branch Manager for CitiGroup, and he has served in past years in the positions of Regional Training Manager and as a District Manager for CitiGroup. The reason Mr. Dagit was chosen to be interviewed was two-fold. He has stock as a decision-maker for the City of Pekin in his role as a Councilman and he employs a vast amount of knowledge on how alternative financing is conducted for capital projects. The interview started after a City Council meeting in the Council Chambers on Monday, January 15, 2007. From there I

corresponded with Mr. Dagit by telephone and e-mail to refine the questions and get in-depth answers on the financing questions. The following questions were asked of Mr.

Dagit:

- 1) How does traditional financing differ from Bond issuance in the financing of Capital Improvement projects?
- 2) Is traditional financing an option on these types of projects?
- 3) Do lending institutions have any special programs for municipalities for Capital Improvement projects?
- 4) What would be involved in acquiring \$5 million and how would the payment schedule work?
- 5) What is your best idea to fund this type of Capital Improvement project?

A personal interview was conducted with Frank H. Mackaman; Frank M. Mackaman is the Mayor of the City of Pekin. Mayor Mackaman was appointed to the position of Mayor in 2005, when the Mayor at the time was forced to step down. Mayor Mackaman was chosen from a field of applicants by the sitting City Council. I chose Mayor Mackaman for this interview because of his vast financial experience, excellent leadership abilities and a deep, diverse educational background. Mayor Mackaman not only serves the citizens as mayor, he also directs all operations of the Everett McKinley Dirksen Congressional Leadership Research Center (the center does not use job titles), he is an adjunct Professor of Political Science at Bradley University in Peoria, IL., past Director of the Gerald R. Ford Library and Museum, past adjunct Professor of History at

the University of Michigan and a past Teaching Assistant at the University of Missouri-Columbia. His educational background is that he holds a Bachelor of Arts Degree from Missouri-Columbia majoring in United States Diplomatic History, United States Recent History, Latin American History and Political Science. Mayor Mackaman also serves on several boards and committees, not only locally, but nationwide. In his duties through his occupations, boards and committee memberships he oversees budgets ranging from \$500,000 to \$45 million.

The following questions were asked of Mayor Mackaman:

- 1) What are some of the past funding mechanisms that the City of Pekin has used that could assist in the funding of a new station/training facility?
- 2) Do you think that the City Council would support a bond issue? A capital improvement fee? A tax increase? A sales tax increase?
- 3) Would the City of Pekin consider entering into long term financing for a capital improvement project such as a new station/training facility?
- 4) What types of federal and/or state funding may be available to assist in alternative funding for a municipal capital improvement project such as a new station/training facility?
- 5) In your opinion, what is the best mechanism to fund this type of capital improvement project?

In order to gain some information from the fire service specifically, there was a questionnaire sent out to twenty-two (22) different fire departments across the country. The departments were chosen only by the recency in which their municipality had

constructed a fire department capital improvement project. The fire departments were located in the November 2006 issue of Fire Chief Magazine. There were also a few local State of Illinois fire departments used as a reference for any state funding, which may be available for these types of capital projects. The local fire departments used in the questionnaire process were gathered through the networking contacts listed in the publication of Fire Chiefs Directory. The purpose of this questionnaire was to assist in the determination of what funding tools are available that fire departments have utilized to fund capital improvement projects. The questionnaire was conducted between Thursday, December 21, 2006 and Friday, January 12, 2007. A phone call was made to each individual Fire Chief or their designee, to request their assistance in the research and to inform them that the questionnaire would be faxed to them within twenty-four (24) hours. The questionnaire was sent to all twenty-two (22) fire departments the day that I spoke to all of the Fire Chiefs, or their designee, and twenty-one (21) questionnaires were returned completed. The telephone call and personal conversation with the fire department representatives seemed to help with the high number of questionnaires returned as well as with the expedience of their return. The questionnaire can be found in the Appendix A. A list of the departments and their representatives answering the questionnaire can be found in Appendix C.

Results

The overall result of the research that was completed during this project has given a wide variety of possibilities from literature research, fire service inquiries and local governmental entities.

With the first research question of, “What private industry grants/foundations are available to assist with construction of this facility?”, local industrial businesses assisted through the questionnaire sent out. Eleven questionnaires were sent out to the local large industrial businesses within the Pekin Fire Department jurisdictional response area. A list of those industrial businesses can be found in Appendix B. The questionnaire requested information through a series of four applicable questions. The purpose of the questionnaire was to gain information on the possibility of industrial sponsorship or a partnership with the City of Pekin in alternative financing for the construction of a relocated fire station/training facility. The questionnaire also attempted to gain insight on any type of assistance the industry could provide, either professional or financial and whether the assistance can be either long-term or short-term. There was a variation in the results of the questionnaire, although every industrial questionnaire was sent back, the majority of the business were interested in helping in some way. The industrial businesses that were interested in assisting financially were interested in doing so on a one time basis rather than several donations over a determined amount of years. These industries also required that the plan be detailed in writing and the long term plan be presented through a grant style presentation. The second area of assistance in which

industry could participate is professional assistance. Every questionnaire returned was interested in participating professionally in the new station/training facility construction and operation.

Another area of the questionnaire requested information from all of the industry respondents as to whether their company would have a need for any training that could be provided at the relocated station/training facility. The respondents were given an option of yes or no for this question. Examples of joint training opportunities were given and they included the following areas: fire brigade training, first aid, CPR, confined space training, HAZMAT awareness, general safety, etc. All of the industrial respondents indicated that they would have an interest in all or part of the training opportunities made available through this facility.

The second research question was asking what federal, state and local monies are available to assist in the construction of this facility. An interview was conducted with the City of Pekin Mayor, Frank H. Mackaman, where he was asked about potential federal and state grants, which he has had exposure to in his full-time positions with the memorial libraries and centers. He was also questioned about his ideas of alternative financing methods for capital improvement projects for the City of Pekin.

Question one to Mayor Mackaman was “What are some of the past funding mechanisms used by the city that could be useful for this project?” Mayor Mackaman stated that with his limited amount of time in city government and limited exposure to historic city financing he could give his best assumption to the question. Mayor Mackaman stated that historically, he believes the City of Pekin revenue resources have

included grants (both federal and state), capital budget reserves and allocations from the general fund.

The second interview question to Mayor Mackaman was whether the city council would support any one of a variety of funding mechanisms to include: bond issue, a capital improvement fee, a real estate tax increase or a sales tax increase. Mayor Mackaman stated that an upcoming election could affect any of those possible funding mechanisms. If the vote would be taken immediately prior to an election the issue of alternative funding through tax increases may have a chance mainly due to the political clout the fire union yields in the community. He also went on to state that taking the election out of the equation, in his opinion, raising local taxes as alternative funding mechanisms, would not garner any support from the council. Mayor Mackaman has always agreed and has worked hard to hold the line on all taxes in the City of Pekin.

The third interview question to Mayor Mackaman was asking whether the City of Pekin would consider entering into long-term financing for a capital improvement project such as a new station/training facility. Mayor Mackaman stated that this could be a possibility, but the case would have to be compelling. In this type of scenario, the relocated station/training facility would have to contend with other capital improvement projects such as the library in the plans to use the City of Pekin's debt capacity for the construction of a new library. His indication was that, although long-term financing is a possibility, there are other alternative funding mechanisms that could be more of a probability.

The fourth interview question asked to Mayor Mackaman dealt with what types of federal and/or state funding may be available to assist with alternative funding for a municipal capital improvement project. Mayor Mackaman stated that federal funding will be difficult to come by, in view of the freezes in earmark requests. Although the state will pass a substantial capital budget (the first in four years), he is unsure of the criteria, parameters or requirements tied to the award of these funds.

The final interview question posed to Mayor Mackaman was, in his opinion, what is the best mechanism to fund this type of capital improvement project. Mayor Mackaman has always been forth-coming in his belief that the relocation of a fifty (50) year old fire station and the need for training facilities is not a high priority when it comes to community need. He stated that at first thought the need has to be compelling before you even get to the question of how to fund it. He also stated that it has to be shown how this will be the very best use of funds, and that requires an honest calculation of the alternative use of those same funds. He went on to state that only when it is clear that spending money on a relocated station/training facility is the highest and best use of limited funds, do you look at the alternative mechanisms. He stated that he believes the best approach would be to enact a special tax (whatever name may be given to the taxing mechanism) to fund the capital improvement project. He goes on to mention that this is the only way to show clearly the financial consequence of the decision to construct the capital improvement project.

The third research question inquired as to what funding is available if the Pekin Fire Department chooses to build a complex, public safety headquarters and training center.

An interview was conducted with Councilman Daryl Dagit, who also works as a Branch Manager for CitiGroup in Peoria, IL. The first interview question asks how traditional financing differs from bond issuance in the financing of capital improvement projects. Councilman Dagit explained that a mortgage would be based on the value of the project and would be backed by the property and the credit rating of the City of Pekin. He explained that there are several different types of bonds but his recommendation would be the issuance of general obligation bonds, if bonds were the avenue chosen for financing. He explained that a general obligation bond is backed by the taxing authority of the city. That means the bond repayments are based on the financial condition of the city, which determines the rates, and you can normally obtain much lower rates on a bond, since you are pledging the ability to tax in order to meet your obligations.

Also, reviewing the text on financing and budgeting , bond issues are illustrated in depth. In the text, “Bonds and Borrowing”, it states that most local governments will fund some portion of their capital facilities and capital improvement projects by borrowing. Bonds, sold to investors in a public market, are the chief mechanism used by municipalities to finance capital improvement projects to date. The text goes on to reinforce Councilman Dagit’s statement that these loans or bonds are repaid with taxes or revenues from user fees, exaction and leases.

The fourth research question deals with what resources the City of Pekin has utilized in past years to fund large capital improvement projects similar to this one. This was a question that needed to be answered by someone who has a long history with the City of Pekin and is familiar with the financial strategies used in the past.

An interview was conducted with City of Pekin Treasurer, Charles “Chic” Renner, on Monday, January 8, 2007 at 2:00p.m. at City of Pekin City Hall. Mr. Renner was first asked how capital improvement projects are currently being funded in the City of Pekin. Mr. Renner responded that it depends highly on the size of the expenditure and the anticipated life or usefulness of the project, but capital improvement projects have historically been funded through designated reserves or loans/bond issuance. Mr. Renner mentioned that the city’s capital improvement projects are budgeted for in the five to ten year Capital Budget process and then prioritized according to the need.

The second interview question asked of Mr. Renner was who decides the priority as to what projects gets funded and when they receive funding. Mr. Renner reiterated that a five to ten year Capital Budget is prepared by Staff or Department Head Personnel and this plan is first reviewed by the City Manager and the Finance Director to determine if the plan is still meeting the long term needs of the community. From there the Capital Budget is presented to the City Council for final approval or modifications to meet the long term needs analysis set by the City Council.

The third interview question asked of Mr. Renner inquired of the different funding mechanisms available to the City of Pekin. Mr. Renner stated that there are several avenues that can be pursued by the City of Pekin, although historically the City has chosen to stay with a small select few avenues to accomplish its financial needs. Some of the mechanisms mentioned that can be used are annexing new properties to increase the tax base, creating capital improvement fees (impact fees), tax increment financing (TIF), cash revenues, traditional long term loans, general obligation bonds (GO), revenue bonds, federal, state and local grants or the possibility of designated gifts. Of these mentioned, Mr. Renner stated that the most commonly utilized by the City of Pekin are cash revenues, matching grants and general obligation bonds. However, recently the City of Pekin has signed two contracts for fire protection with two rural fire protection districts totaling approximately \$375,000.00 and we have annexed approximately 600 acres of land for residential and commercial property usage.

The fourth interview question for Mr. Renner asked whether the City of Pekin will consider entering into long-term loan financing for capital improvement projects. He stated that the City prefers to “stay short” on any loans that they pursue. He went on to explain that depending on the project, occasionally long-term (ten to twenty-five years) is appropriate. He explained that the economic impact for the City of Pekin sometimes warrants long-term debt, in combination with the preservation of the City’s cash reserves. Sometimes long-term loans are a better value than using cash reserves.

The fifth interview question asked of Mr. Renner is not utilized in this paper.

Interview question number six asked Mr. Renner, in his opinion, what is the best idea to fund a capital improvement project, such as a new station /training facility. Mr. Renner answered by saying that instead of looking at a single dimensional financing mechanism, the City of Pekin would look at a combination of resources. Most likely the City would consider a combination of federal and state grants, cash reserves and general obligation bond issuance for this type of project. With this in mind, the general obligation bond probably would not exceed sixty to seventy percent of the total cost of the project so that debt retirement could be accomplished within the desired ten year time period.

The final interview question asked of Mr. Renner centered on giving a brief description of what the process would be to secure a loan (or bond issue) for the capital improvement project mentioned and whether or not, in his opinion, it would be successful. Mr. Renner gave a detailed and informative explanation of the process. Local banks would be contacted with a Request for Proposal (RFP). That document would contain our recent and current financial statements and ask for rates, terms and covenants the institution would make. The request would be such that it would be a tax-free obligation, which would allow for lower than taxable rates. There would probably be three to five alternative repayment options being bid, ranging from ten to twenty years. Because the City of Pekin is a Home Rule government, combined with our history of 98%-99% tax collection rate, most all institutions would "bid" the request. Mr. Renner stated that if success is measured by receiving the financing, then yes, we would undoubtedly be successful. The big question to him would revolve around "political"

climate. The council may gauge the support of the project by their assessment of the “need”, public input of support or lack thereof with this project and the perception of political fallout (i.e. if this could hurt or help the chances of re-election)

The fifth research question centers on the implications of financing of this project if all other avenues do not work out. This question was posed to each of the interviewees and each of them had similar responses to the question. Ultimately, all agreed that a needs assessment was paramount prior to any of the financing questions being researched. Once the need was determined that the City of Pekin should pursue the relocation of Station #3 with the addition of a training facility, the wide array of funding possibilities could be reviewed. To answer the question, all of these avenues would have to be completely exhausted, which would seem unlikely, but possible. If this would happen then the City of Pekin would need to pursue more forward thinking to put more money back into the cash reserves to pay for the majority of the project. Another angle would be to form a partnership with the businesses in the community to help support to the project both professionally and financially. A questionnaire was sent out to eleven industrial businesses in the City of Pekin and of those eleven sent out, all of them were returned completed. The questionnaire is included in Appendix C. The second question in the questionnaire asked the industrial business representatives what type of assistance would their organization be willing to provide to the Pekin Fire Department in the relocation of a station and the addition of a training facility; professional and/or financial. Four of the eleven questionnaires returned replied that they would be willing to assist in some financial method, four replied that they could assist in a professional

method, four replied that they could not assist at all and, of the above that replied that they could assist, three stated they could assist both professionally and financially.

The third question of the questionnaire focused on the idea of service or possible rental fees to the industry for using the facilities and services of the personnel. The question inquires if their organization has any need for some of the training opportunities that could be provided at a regional training facility as being illustrated with the relocated fire station. In answer to this question, ten out of the eleven respondents stated that there is a need from their organization to receive some of the training opportunities offered through the questionnaire.

The fourth question of the questionnaire requested information as to the organizational thoughts on how they felt on forming public-private partnerships to fund publicly held facilities. In the question, it was also mentioned that these are also a good way to build good working relationships between municipalities and industry. Eight out of the eleven questionnaires completed answered that private partnerships to fund publicly held facilities are an accepted method of funding public facilities and initiatives. These are also a good way to build good working relationships. The other three completed questionnaires had no answer to the question.

The industrial businesses were very receptive to the questionnaire after I had called each representative to explain the questionnaire and the intent of the outcome.

Discussion

Based upon the information gathered in conducting this applied research project, a conclusion can be drawn that, although fire departments are still widely utilizing traditional funding mechanisms to fund capital projects, there are those investigating alternative funding sources. The majority of those departments research, however, are still utilizing traditional funding mechanisms to carry out the completion of capital improvement projects. Moritz (2000), Lakamp (2005) and Wakerly (2000) found that facilities have been in use for far too many years and have become inefficient for the needs of today. With this in mind, all have concurred that there is a need to find funding mechanisms to bring these required capital improvement projects to a realization.

An interpretation of the results of the research indicates a wide range of possibilities for alternative funding mechanisms as well as revealing the validity of the effectiveness of the traditional funding mechanisms. All of these mechanisms have their strengths individually, but when combining a few together, the possibilities of putting together a winning strategy becomes more realistic. It would be simpler to have one single funding source instead of having to deal with many funding sources, although the public may be more willing to pay taxes or fees that are specifically set aside for public safety than for other issues they may have personal disagreement about. (USFA-FEMA 1999). However, the results of a questionnaire sent out to twenty-two (22) fire departments who had recently (within the past 5 years) completed a capital improvement project revealed overwhelmingly the use of General Obligation Bonds as the funding mechanisms used for their particular capital improvement project. Sixteen of the twenty-

two questionnaires revealed the usage of General Obligation Bonds, one of the departments uses strictly property taxes to pay for capital improvement projects, three of the responding departments have initiated impact or capital improvement fees, one responding department decided to use traditional bank financing and one responding department did not answer this question. During the interview processes with Council Member Dagit and Mayor Mackaman, the most popular idea of a funding mechanism focused mostly toward bond issuance, although they were both interested in other creative alternative methods. Both Council representatives stated that raising taxes of any type would not be a popular consideration and would take a lot of justification to even be looked at. (personal interviews January 2007)

The information gathered concerning the public-private partnerships to fund publicly held facilities was of little surprise, since the Pekin Fire Department has a great working relationship with local industry. Of the eleven questionnaires, nine agreed that private industry assisting public held facilities in funding mechanisms of some kind is an accepted method within their organization and is a good avenue to build good relationships while working together. Another part of this questionnaire asked about the industry providing professional services as assistance to the publicly held facility and six of the eleven asked stated they would also be interested in assisting in a professional services avenue. Although this is not a total surprise, it is a pleasant and uplifting revelation that will give us another avenue to pursue for assistance.

In the questionnaire sent out to the fire departments, the question of obtaining alternative funding for capital improvement projects through the Federal Fire Act Grant

was asked if they could support this. This was more of a surprise initially because the support was split right down the middle. I thought that this may have been more heavily supported until I read the explanations of why it is not. Most of these departments have reservations in their support due to the fact that this will take funding away from needed equipment and could potentially cripple a federally funded area that is already being cut too deep.

The results have revealed that there are several different areas of alternative funding mechanisms available to be evaluated to fund capital improvement projects. It also revealed that although these mechanisms are available, most municipalities still prefer to utilize General Obligation Bond issuance as the mechanism of choice. The results of this research imply that fire departments are going to have to continue to struggle to receive the limited amounts of the capital funds available. As Mayor Mackaman stated that only when it is clear that spending money on a relocated station/training facility is the highest and best use of limited funds, do you look at the mechanism of funding it. I believe that the Mayor is correct and has set the challenge that the fire department will need to develop a strong argument of need. It will also have to develop a strategy to build public and political support to move this worthy project through the budget process without damaging other public services. One of the most important organizational implications will be the increase in efficiency of the facilities and the resources added for the benefit of the fire fighters and ultimately the citizens of Pekin in higher levels of training and safety operations.

Recommendations

The City of Pekin needs to initially perform a needs assessment to determine the current efficiency of the existing fire stations and the existing training facility resources. Once this has been completed and the determination has been made for the need of a relocated station/training facility, the City of Pekin needs to move aggressively toward the following listed recommendations:

- Set enough property aside in the existing Riverway Business Park to accommodate a relocated fire station and a training facility to fit the training needs for the fire department far into the future. The fire station should be able to house living quarters, a four-bay apparatus area, a police sub-station, administrative offices, emergency operations center in the basement and a large, smart classroom. The training facility should have the resources to cover hazardous materials, technical rescue, basic fire fighting skills, live fire drills, hydrants, drafting and drivers training evolutions, to name a few.
- Set as a priority, in the Capital Budget process, the need to replace inefficient facilities with high efficient facilities that will serve the city long into the future.
- Review the current tax rate and adjust the rate slightly upwards to cover the required capital improvement projects. Since the tax rate was lowered so low, so fast in the past, it is time to review this strategy
-

and move to set aside tax dollars to finance required capital improvement projects.

- Initiate Capital improvement (impact) fees that assist to offset the burden put on existing services and infrastructure from a rapidly expanding community.
- Work to build public-private relationships with industry that are willing to provide both professional and financial assistance for the construction of a relocated station/training facility.
- Work with state and federal legislators to identify the appropriations that may be available for a multi-departmental facility, emergency operations center, emergency evacuations facility, a multi-jurisdictional/regional training facility and a community/class room.
- Identify the General Obligation Bond process and start the Request for Proposal (RFP) process with the local banks to acquire the needed funding to complete the capital improvement project.

The City of Pekin leaders must make a commitment to replace the fifty year old current facilities with updated energy efficient facilities that address the needs of today's fire service. They must also recognize the lack of training facilities available to complete the mandated training for the Pekin Fire Fighters. City leaders need to realize that although the initial outlay of construction costs may appear insurmountable, the pay-off of high efficient facilities and the mandate training resources will return multi-fold.

There needs to be additional research performed into alternative funding mechanisms for the fire service. Research into the financial industry, the corporate world and further into the fire service should be taken to identify any other alternative funding mechanisms that may be available that have not yet been explored.

There is still much work to be done to explore all of the potential alternative funding mechanisms available for funding capital improvement projects. Although the majority of municipalities continue to utilize bonds to fund capital improvement projects, it is necessary that the fire service look at alternate funding mechanisms to stay in the struggle for capital improvement budget dollars.

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Appendix A

Funding Resource Questionnaire for Executive Fire Officer Program

Fire Department name:

Population served:

Person completing questionnaire:

Square miles covered:

Contact address:

Number of Fire Fighters in your department:

- 1) Has your fire department completed any construction on facilities in the past ten (10) years? Y or N
(If not, please skip to question #7)
- 2) What type of facility did your department construct? (i.e. Station, training facility, administration, combination, etc.)
- 3) What was the cost of construction for this project?
- 4) What amenities are included in this facility? (i.e. Classroom, built-in projector, administrative offices, burn building, tower, etc.)
- 5) Did your fire department partner with private industry or a local educational institution to assist with the projects financing? If yes, please explain.
- 6) What type of funding mechanism did your fire department use for this project? (i.e. Capital Budget Process, Tax Increment Financing, Grants, Bonds, Tax Levy, other, etc.) Please explain the process.
- 7) In your opinion, should the Federal Fire Act Grant be available for constructing facilities?



City of Pekin

January 31, 2007

Hello Chief,

My name is Chuck Lauss and I am the Fire Chief for the City of Pekin, IL. I am currently enrolled in the first year in the Executive Fire Officer Program at the National Fire Academy in Emmetsburg, MD. I am currently working on an Applied Research Project for this program. The topic for my research project is identifying funding resources to construct a new (relocation) station and a regional training facility for the Pekin Fire Department, as well as Tazewell County. I would greatly appreciate your assistance by completing the attached questionnaire and return it to me via fax, by e-mail or by mail by February 10, 2007.

In advance, let me express my sincere gratitude for your assistance in helping me complete this very worthwhile research project.

Respectfully yours,

Charles E. Lauss
Fire Chief
City of Pekin
3232 Court St.
Pekin, IL 61554
Ph. (309)477-2388
Fax (309)346-8792
clauss@ci.pekin.il.us

Appendix B

Funding Resource Questionnaire for Executive Fire Officer Program

Company Name:

Person completing questionnaire:

Contact address:

Type of business:

- 1) Would your organization be interested in assisting the City of Pekin in the relocation of Fire Station #3 (currently at 272 Derby Street) to the Riverway Business Park? This facility would include a Regional Training Facility which could be scheduled for local training. If no, please skip to question #3.
- 2) What type of assistance would your organization be willing to provide?
Professional Financial
- 3) Would your organization have any need for some of the training opportunities that could be provided at such a regional training facility? (i.e. First aid, CPR, fire brigade, confined space entry, classroom facilities, etc.)
- 4) What statement best describes your organization's thoughts on public-private partnerships to fund publicly held facilities.
 - a.) Public – Private partnerships to fund publicly held facilities are an accepted method of funding public facilities and initiatives. These are also a good way to build good working relationships.
 - b.) Public facilities and initiatives should be financed through the public budget process.

I want to tell you how much I appreciate your assistance to me in completing this project. I will be in contact with you after the project has been submitted and completed to let you know how the paper turned out.

Please understand that your answers to these questions do not hold you to any commitment. This is for purpose of research to see where resources are available for the future of public safety, industrial safety and mutual training opportunities for the Pekin area.

Graciously Yours,
Charles E. Lauss
Fire Chief
City of Pekin
(309)477-2388
(309)346-8792 fax. Number
clauss@ci.pekin.il.us



City of Pekin

January 31, 2007

Dear Industrial Management,

My name is Chuck Lauss and I am the Fire Chief for the City of Pekin, IL. I am currently enrolled in the first year in the Executive Fire Officer Program at the National Fire Academy in Emmetsburg, MD. I am currently working on an Applied Research Project for this program. The topic for my research project is identifying funding resources to construct a new (relocation) station and a regional training facility for the Pekin Fire Department, as well as Tazewell County. I would greatly appreciate your assistance by completing the attached questionnaire and return it to me via fax, by e-mail or by mail by February 10, 2007.

In advance, let me express my sincere gratitude for your assistance in helping me complete this very worthwhile research project.

Respectfully yours,

Charles E. Lauss
Fire Chief
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3232 Court St.
Pekin, IL 61554
Ph. (309)477-2388
Fax (309)346-8792
clauss@ci.pekin.il.us

Appendix C

1. Algonquin – Lake In The Hills Fire Protection District	Fire Chief Steve Guetschow
2. Alpine, CA Fire Protection District	Fire Chief Darrel Jopes
3. Arlington Heights, IL. Fire Department	Deputy Chief Bruce Hennigan
4. Bloomington IL. Fire Department	Fire Chief Keith Ranney
5. Brunswick ‘Cook’s Corner’ Fire Department	Fire Chief Clark Labbe
6. Champaign, IL. Fire Department	Fire Chief David Penicook
7. Charlotte, N.C. Fire Department	Fire Chief Luther Fincher, Jr.
8. Colorado Springs, CO. Fire Department	Fire Chief Manuel Navarro
9. Frisco, TX. Fire Department	Fire Chief Mack Borchardt
10. Galesburg, IL. Fire Department	Fire Chief John Cratty
11. Gilbert, AZ. Fire Department	Fire Chief Collin DeWitt
12. Hanover Park, IL. Fire Department	Fire Chief Craig Haigh
13. Hemet, CA. Fire Department	Fire Chief Robert Verberg
14. Kalispell, MT. Fire Department	Fire Chief Randy Brodehl
15. Monticello, NY Fire Department	Fire Commissioner George Kinch
16. Normal, IL. Fire Department	Fire Chief James Watson
17. Peoria, AZ. Fire Department	Fire Chief Robert McKibben
18. Pinehurst, N.C. Fire Department	Fire Chief James McCaskill
19. Rincon-Valley Center, CA. Fire Protection District	Fire Chief Kevin O’Leary
20. Sapulpa, OK. Fire Department	Fire Chief Jackie Carner
21. Taylorville, IL. Fire Department	Fire Chief Roger Lunt
22. Tucson, AZ. Fire Department	Fire Chief Dan Newburn