

STEVEN M. PARÉ
Commissioner of Public Safety
Acting Chief of Department



JORGE O. ELORZA
Mayor

Department of Public Safety, Fire Department
"Building Pride in Providence"

December 21, 2016

The Honorable Samuel D. Zurier
Councilman – Ward 2
City of Providence
Providence City Hall
Providence, RI 02903

RE: Deactivation of Fire Companies

Dear Councilman Zurier:

I am writing to advise you of the decision to deactivate Engine Company 4 (Rochambeau Avenue), Engine Company 5 (Humboldt Avenue), and Ladder Company 4 (North Main Street).

This assessment was based on recommendations found in two studies conducted by MMA Consulting Group, an analysis of fire runs, and the city's long-term financial outlook. In its *Fire Department Staffing Analysis Report (May 2016)*, MMA Consulting Group recommends the Providence Fire Department deactivate two fire stations reducing the number from 14 to 12. This recommendation was also made in MMA's *Study of Rescue and Ladder Needs (September 2006)*. The May 2016 report also recommends the number of ladder companies be reduced from eight to six based on an analysis of reliability data that shows ladder companies are available to respond more than 95% of the time, suggesting that Providence could operate with fewer ladder companies. The report also concludes, based on comparative data, that the Providence Fire Department has more ladder companies than other comparable jurisdictions.

The East Side of Providence is home to five fire stations: Rochambeau Avenue, Branch Avenue, Humboldt Avenue, North Main Street, and Brook Street. This is a heavy concentration of fire stations in one geographical area. An analysis of fire runs shows Engine Company 4 and Engine Company 5 have historically had the lowest number of engine company runs in the city. Specifically, over the past three years, Engine Company 4 and Engine Company 5 have responded to a combined 6% of the total engine company runs made during this period. Furthermore, the run data also reveals that Engine Company 4 served as the "primary" responding unit on 40% and Engine Company 5 on 35% of these engine runs. Engine Company 2 at Branch Avenue will replace Engine Company 4, Engine Company 9 at Brook Street will replace Engine Company 5, and Engine Company 7 at North Main Street will provide assistance.

The data shows Ladder Company 4 responded to 15% of the total ladder company runs but served as the "primary" unit on only 11% of its runs. Our analysis also shows many of these runs are to the

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downtown area. Stationed at North Main Street, Ladder Company 4 is surrounded by three ladder companies all within approximately one mile of each other. Lastly, Ladder Company 4 is also the first ladder company called to respond to a mutual aid call outside of Providence. Ladder Company 7 at Branch Avenue and Ladder Company 8 at Brook Street will both remain active.

From a financial standpoint, Providence faces a long-term structural deficit with a \$1.9 billion unfunded liability. The city's structural deficit is the result of high costs (the city's retirement costs are 43% of its total payroll, compared to just 9% nationally), reductions in state aid (the city receives \$36 million annually compared to \$65 million in 2007) and over 50% of the city's real property designated as tax-exempt.

Mayor Jorge Elorza has taken the first steps toward instituting long-term budgeting. To assist in this effort, the administration recently received an analysis of the city's finances and a set of recommendations from the National Resource Network (NRN). The NRN report showed that, unless the city takes action to increase revenue and reduce expenses, Providence is on course to face a cumulative budget shortfall of \$176 million by the year 2026, assuming no increase in discretionary spending over that decade.

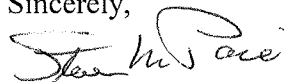
Many steps have *already* been taken to improve city finances. Labor unions have sacrificed by taking pay cuts, reducing their benefits, and many retiring to prevent layoffs of their co-workers. As you know, taxpayers have endured increased property taxes, car taxes, and fee increases and the city has some of the highest car tax, tangible tax and commercial taxes among our peers, even as many of our residents continue to struggle economically.

At the end of Fiscal Year 2016, the city had a cumulative deficit of almost \$4 million. The continued cumulative deficit and challenges regarding our tax rates means we need to take action now. The Tentative Agreement between the City of Providence and Firefighters Local 799 allows the city to address its long-term structural deficit and, under the minimum manning provision, realize a contract savings. The agreement allows us to reduce the minimum number of firefighters required per shift from 94 to 88. Under the agreement, the projected salary savings over the next five years is approximately \$16.4 million.

It is important to mention this because actual fires are fortunately fewer than in decades past as the fire service is moving toward a fire prevention and emergency medical service model. This can be attributed to innovative fire prevention programs, enforcement of improved construction and life safety codes, and state-of-the-art fire alarm and sprinkler systems.

This was a very difficult decision but one that was made in the best interest of the City of Providence and its citizens. Knowing that the men and women of the Providence Fire Department are highly trained, well equipped, and committed to protecting and serving the citizens of our great city, it is the right decision.

Sincerely,



Steven M. Paré
Commissioner of Public Safety
Acting Chief of Department