

CITY OF COOS BAY JOINT WORK SESSION

Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
February 24, 2026	2.d

TO: Mayor Benetti, Council President DiNovo, and City Councilors

FROM: Jeff Adkins, Fire Chief

THROUGH: Nichole Rutherford, City Manager

ISSUE: Discussion of Fire Department Mitigation Rate Ordinance

SUMMARY:

This ordinance authorizes the Fire Department to recover costs for certain emergency and non-emergency responses. Fire department cost recovery addresses the growing gap between service demand and General Fund revenue. Expenses tied to staffing, apparatus, training, regulatory compliance, and specialized responses continue to rise faster than tax revenue. This action aligns Coos Bay with many Oregon jurisdictions and neighboring fire departments that already bill for similar services.

The intent is cost recovery, not punishment. City residents are protected through insurance-only billing and compassionate closure of denied claims. The ordinance focuses on non-residents, responsible parties, repeat violations, and services that fall outside routine public safety expectations.

ACTION REQUESTED:

Review the proposed ordinance establishing and implementing a program to charge mitigation rates for the deployment of emergency and non-emergency services by the fire department for services provided/rendered by/for the Coos Bay Fire Department.

BACKGROUND:

Call volume, service complexity, and regulatory requirements placed on the Fire Department have increased steadily over time. Responses now routinely involve extended incidents, multiple simultaneous incidents, and repeated nuisance calls that require dedicated staffing and equipment. At the same time, costs associated with personnel, apparatus operation, training, insurance, and regulatory compliance have continued to rise at a pace that exceeds growth in General Fund revenue. The Fire Department has absorbed these impacts for years through operational efficiencies, but current funding levels no longer fully support the scope and frequency of services being provided.

This ordinance establishes a fire department cost recovery program that allows the City to bill mitigation rates for certain emergency and non-emergency responses when a responsible or liable party exists. The ordinance authorizes billing for motor vehicle crashes, vehicle fires, structure fires, rescue operations, hazardous materials releases, illegal burning beginning with a second offense, special events and standby coverage, repeated public assists that become taxing to staff resources, and repeated false alarms in commercial occupancies. The intent is to recover a portion of the actual costs associated with responses that fall outside routine public safety expectations or involve preventable or repeated incidents.

The proposed billing structure is designed to avoid placing additional financial burden on city residents. For most incidents involving residents, including motor vehicle crashes, vehicle fires, and structure fires,

claims would be submitted to the applicable insurance carrier only. If a claim is denied or no insurance coverage exists, the claim would be closed with no further billing action taken against the resident. Direct billing and collection activity would generally apply only to non-residents, responsible parties, repeat offenders, or situations where services are provided outside the city's customary obligation.

Adopting this ordinance provides the City with a practical and measured approach to addressing the growing gap between service demand and available funding. While the ordinance does not guarantee revenue, it creates a mechanism to recover costs that are currently absorbed entirely by the General Fund. These recovered funds can help offset overtime, apparatus wear, and specialized response costs, reduce the level of cross-subsidization by city taxpayers, and support the long-term sustainability of fire and emergency services without requiring an increase in taxes.

The ordinance authorizes the Fire Department to initiate claims directly or through a third-party billing service, with rates based on actual, customary, and reasonable costs. Apparatus costs will follow standardized rates established under Oregon Administrative Rules, and personnel costs will reflect fully burdened expenses. Administrative flexibility is preserved by allowing rate adjustments and billing procedures to be updated as operational costs and needs change.

Adoption of this ordinance aligns the City of Coos Bay with many Oregon jurisdictions and neighboring fire departments that already utilize similar cost recovery programs. It supports fiscal responsibility, maintains service levels, and ensures that extraordinary or preventable response costs are more equitably distributed, rather than borne solely by city taxpayers.

BUDGET IMPLICATIONS:

Possible increase to general fund revenue.

ATTACHMENT(S):

- DRAFT_CBFD Billing Ordinance.pdf