

# **GREAT SBCA SCAM EXPOSED, Part II: FIRE CONTRACTING**

(Investigative Reporting by John Thompson, © November 2006)

Part I of our exposé explained how six beach-front properties – each a candidate for immensely profitable 15-story redevelopment – became the sole dues-paying members of the SBCA, elected a BOD including two developers and an attorney for developers, and won agreement from the 2000-2002 LBTS Town Commission to retain the 15-story Broward County height limit in the annexed area, to the immense advantage of that “gang of six,” but the detriment of nearly all other LBTS citizens. If you “follow the money,” that 15-story scam at least makes sense.

The county-fire-suppression scam is harder to understand, since it does not seem to have benefited anyone except Broward County (now BSO) Fire-Rescue Department, and the career-service firefighters’ union, at the great, unnecessary expense of homeowners, innkeepers and businessmen and women throughout the Town. SBCA’s spin, to be sure, was that the annexed area contains a greater number of multi-story condos than old-town LBTS, and that the LBTS Volunteer Fire Department (VFD) was not sufficiently skilled in fighting multi-story building fires, and their 50-foot ladder truck would not – in any event – reach the upper floors of condos. But neither of those straw men can survive a reality check by anyone familiar either with the VFD or with fighting fires in multi-story buildings!

A great number of the VFD’s twice-weekly “drills” concentrate on training to fight building fires. Such fires are NOT, however, typically fought from ladders, but by teams of firefighters who attack the fires with water and hoses starting from the floor beneath the fire. That being the case, the VFD’s average of 14 responders to a fire call represents a highly valuable fire-suppression asset for fighting building fires. The 3-man crew on BSO’S Engine 36, on the other hand, is unable even to attack a building fire on their own, since Florida state safety regulations require a minimum “2-in-2-out” staffing even to begin an attack on a building fire. Yes, one of the cross-trained paramedic/firefighters on BSO’s ambulance could provide the BSO fourth for “2-in-2-out,” but ONLY if not called on for EMS duties. Indeed, if the BSO ambulance were needed for a transport to hospital, they would even need to take one of Engine-36’s 3-man crew with them to meet THEIR minimum staffing requirement, leaving only two BSO firefighters in LBTS. And the very closest BSO back-up unit is located at least 10 minutes distant from LBTS. Clearly, then, the VFD is better staffed and better positioned to fight fires in LBTS condos.

Nevertheless, the unrepresentative, undemocratically constituted SBCA BOD insisted that the Intracoastal/beach area retain not only BSO’s law-and-order services, but also Broward County (as it then was) fire-suppression service. Since there does not appear ever to have been any rational, cost-effective justification, it may simply have been a political “deal” championed by former county commissioner Edwin Kennedy, chosen in the SBCA politicians’ “smoke-filled room” to be their first representative on the LBTS Town Commission. (SBCA President Chuck Clark had to wait another 2 years to be tapped for the post by SBCA godfather Jack Cooney.)

Now, it would appear that some of the LBTS politicians warned the SBCA BOD just how cost in-effective it would be, and how much more they would have to pay for county fire suppression than old-town property-owners were paying for VFD fire-suppression. But the BOD oligarchs immediately replied (After all, it wasn’t for the most part their money.) that county fire-suppression was so important that the residents of the annexed area would be willing to pay whatever it costs! So that is precisely the “deal” that found its way into the SBCA-LBTS Commission secretly negotiated “sweetheart” agreement of 8/8/2000. So that is why two LBTS fire-assessment districts were established, and why all north-beach owners the next year paid a fire assessment of \$527 while old-town neighbors paid only \$92.

It must be noted that the \$92 was not IN LIEU OF, but rather IN ADDITION TO *ad valorem* taxes paid by pre-annexation old-town property owners, since there was no decrease in *ad valorem millage* comparable to the new special assessment. And while a special assessment to cover fire-suppression costs of the VFD is quite legal, the same cannot be said of the initial \$527 north-beach assessment or the current town-wide \$260 annual assessment to fund the substantial EMS service provided by BSO's ALS Engine 36, because Florida's Supreme Court has ruled that EMS may NOT be funded by special assessments.

Legality and the lack of an offsetting decrease in *ad valorem* millage aside, Mayor Parker has often opined that homeowners would have to pay more if the Town's alleged "Fire" budget were funded by *ad valorem* taxation rather than by special assessment. But like so much of what Parker states *ex cathedra*, that allegation is not entirely true. It IS true that Parker, other owners of very expensive homes, and non-homesteaded snowbirds would have to pay more. But the vast majority of homesteaded residents of pre-annexation LBTS would be paying the same or LESS under *ad valorem* taxation. The same is also true of many homesteaders in the annexed areas, including Kennedy and Clark. So legality aside, funding the Town's fire budget by special assessment results in a *de facto* subsidy to fat cats and snowbirds at the expense of the majority of homesteaded owners.

But while residents of the annexed area were never ASKED which fire service they preferred, neither did they have to worry long about the huge \$527 annual assessment. It was all a clever scam, and the LBTS Town Commission – not to mention old-town citizens who, also, had never been ASKED – were hoodwinked from the git-go. We know that NOW, because of a chance encounter involving a friend of ours during the first half of 2000 (even before the infamous 8/8/2000 agreement) and which meant absolutely nothing to our friend at the time.

Our friend was eating lunch in Damien's (Or was it still Howard Johnson's?) and overheard an old fellow he didn't know from Adam talking about SBCA's demand to retain county fire service. Knowing something about the relative costs of paid, career-service and volunteer service, our friend remarked that would be a costly deal for South-Beach (as they were then called) residents. "Oh, don't worry," the old guy – who our friend later realized was SBCA honcho Jack Cooney – replied, "It will only stay like that for a year, they we'll arrange to have both departments serve both parts of Town. Then we'll insist that everyone pay the very same fire assessment." And that, dear readers, is exactly what happened. The SBCA BOD never seriously intended to abide by the "We'll pay!" terms of their "agreement!"

It must, however, be realized that while the current town-wide \$260 assessment may be easier for annexation-area residents to accept than the \$527 they had been paying under the "agreement," the SBCA BOD convinced the LBTS Town Commission to sign, it is still twice as large as what homeowners of BOTH north AND south would have to pay were fire suppression provided solely by the VFD.

Towards the end of 2000, I chanced upon another manifestation of this scam, but did not then appreciate its full significance. I was appointed then to the Annexation Advisory Committee. Set up in accordance with an SBCA BOD demand in the August 8, 2000, agreement, that committee had 9 members, 5 of them serving *ex officio* as members of the SBCA BOD. (Since SBCA BOD meetings were closed, not only to those of us from old-town, but also to ordinary north-beach residents, that set-up was an institutionalized sunshine-law violation engineered by annexation-agreement-drafter Sue Delegal, who in early 2006 suggested another lady might be guilty of a sunshine violation. – But that's another story!). With 5 SBCA BOD members forming a clear majority of the Committee, it was no surprise that Jack Cooney became Annexation Committee Chair.

At an early meeting, Cooney placed on the agenda discussion of his suggestion that the Town of LBTS ALSO sign up for BSO police support (which had not yet happened) since the annexed area would still be served by BSO. That seemed to me like the tail wagging the dog, and I said so, noting it would be more logical for the annexed area also to have VFD fire service, like old town. I pointed out that prior to the Sea Ranch Club condos' annexation to LBTS, many of my neighbors there had been concerned about the Volunteers' ability to serve our tall condos. Following actual post-annexation experience with the VFD, however, we had few if any complaints and were, moreover, delighted by the low cost of VFD service.

I suggested that the annexed area reconsider its demand for continued county fire-suppression, and even offered to go speak to north-beach residents about the Sea Ranch Club's experience. Cooney was furious, telling me in no uncertain terms that the matter had been completely settled, and that I was out of order to have even brought it up. Back then, I could not understand why he did not want his north-beach neighbors to have a chance to reconsider their choice of a fire-suppression provider. Now I realize that they had never in the first place had any opportunity to express their opinion or preference on what had simply been an edict by the SBCA BOD. Cooney certainly did not want me to rock the boat now!

The rest is history: how Kennedy voiced his concern about the qualifications of the VFD to serve the old-town (something few in old town had ever questioned!); how he lied about how BSO's "deep pockets" would indemnify the Town against damage claims; how the Commission promised voters a referendum, which never materialized, on fire-service providers; how an ex-chief of Broward County Fire-Rescue was hired on recommendation of ex-BSO official, Town Manager Baldwin for \$100,000 a year to provide "impartial, expert advice" to the Town Commission on fire-suppression contacting; how that advisor denied the proven effectiveness of "mutual aid" and cooked his estimates to make "consolidated" BSO/VFD fire suppression look like the low-cost solution it clearly is not; how the Commission then accepted his advice, ignored citizen protests, and signed a contract with BSO in contravention of the existing LBTS Code of Ordinances; how they retroactively amended the Code to strip the VFD of all official standing, responsibilities and authority; how the Town Clerk improperly rejected an electoral-ordinance petition in support of the VFD bearing well over 500 signatures certified by the Supervisor of Elections, and how the old commission arbitrarily backed her up; how the same commission then passed a resolution paying lip service to support of the VFD, but which they apparently never intended to honor; how BSO then used its position as the prime fire-suppression contractor to the Town to the disadvantage of the VFD, culminating in their "immediate termination" of the VFD on Nov. 7, 2006, in blatant, material breach of BSO's contract with the Town.

**Coming soon: Part III – The Great Surplus/Sewers/Storm-Water-Utility Scam**