

Thank you Chairman Garcia and Members of the Appropriations Subcommittee on Commerce, Labor and Economic Development.

My name is Daniel Oates and I am here representing the City of Ann Arbor, as well as the Michigan Municipal League. I am the Safety Services Administrator for the City and am responsible for Police, Fire and Emergency Management services for the 114,000 residents of Ann Arbor.

I am here today to urge your support for full funding for Public Act 289 of 1977. As you are aware, PA 289 calls for the reimbursement of localities for the costs of protecting state properties. Today, 68 communities provide fire protection for state facilities, such as prisons, office buildings, and in communities like Ann Arbor, universities, hospitals, and research labs.

There are tremendous costs associated with protecting these facilities. The complexity of the University of Michigan campus requires the City of Ann Arbor to have larger equipment and more of it to protect the dormitories, the hospital, the athletic fields, arena, and stadium, as well as the series of older buildings with high occupancy levels and no sprinkler systems. In addition, we are required to have specialized and hazardous material training beyond that which is required in most non-university municipalities due to the laboratories, hazardous materials, and other complex materials and events located on the UM campus.

In recent years, we have invested roughly \$500,000 in specialized hazardous material training and equipment and \$1 million in our 100 ft. aerial ladder truck and related equipment that is needed for the buildings on campus that are three stories and higher. We are also purchasing a replacement hazardous materials truck at a cost of \$350,000

in next year's budget. Finally, requirements for enhanced homeland security post-September 11, 2001 have created additional unfunded responsibilities for municipal fire fighters.

These are real costs for real emergency situations. In recent years we have responded to a number of serious calls on campus. Our hazardous materials team was called to respond to a gas leak in the Electrical Engineering and Computer Science building in late 2000. This is the building where computer chips are cleaned as well as other lab work is conducted. The materials in this building are potentially so dangerous that the University's hazardous materials and OSHA safety team's protocol does not allow us to enter the building even during an emergency until a hazardous materials assessment is conducted to determine the proper course of action to mitigate the situation. In this example, our hazardous material team responded to the call and

arrived on campus in 2 minutes. Per the hazardous material response protocol, AAFD met with UM personnel in the designated area outside the building, determined the source of the gas leak from the building's alarm and monitoring system, and sent in appropriate personnel in special class A chemical suits to turn off the leaking acetylene tank. A catastrophic disaster was averted due to the efforts of the AAFD hazardous material team.

In the spring of 2002, the AAFD responded to another call from campus at the Chemistry Building. A student inadvertently started a fire while mixing chemicals in a chemistry lab class. AAFD responded and arrived on campus in 3 minutes and successfully put out the fire utilizing a dry chemical extinguisher. This may not sound terribly serious, but let me assure you – it was. The chemicals in the “hood” fire in the chemistry lab included chlorosilane, benzene, iron pentacarbonyl, butyl lithium,

sulfur tri-flouride, methylene chloride, acetonitrile, sulfuric acid, potassium nitrosdisulfonate, and acetone – all flammable and toxic in such a volatile situation. There are other examples, but time does not allow me to detail them for you here and now. Suffice it to say that some extraordinarily dangerous substances are stored on campus – far beyond the norm for a community of our size, and demanding of us a special level of fire protection skill, expertise and equipment.

PA 289 mandates that the State of Michigan reimburse cities for the fire service costs associated with protecting state owned facilities under a specific formula. At best, the State has reimbursed at about 47 percent of the formula. In 2003/04, the City of Ann Arbor received approximately 24 percent of the amount provided under the formula. Our fire services cost the City about \$10 million a year. The University accounts for about 25 percent of the taxable value

in our community, which easily represents \$2.5 million of our annual costs. However our payment from the State was only \$385,737 in 2003/04. We have always provided the highest level of fire services in the City to protect the students who attend UM, our year-round residents, visitors to the City, and our local businesses. The City's General Fund, at the expense of other essential programs and services, subsidizes the shortfall created by the lesser payment from the State. We believe the University of Michigan is one of the State's greatest assets and we are proud that it calls Ann Arbor home. But, the protection of this great asset should not fall exclusively on the taxpayers of Ann Arbor. It is critical that the promise of PA 289 be fulfilled.

Before I conclude, I think it is important to note that our students come from every County in the State of Michigan -- So a part of each of your local communities are in our City nine months of the year! We want the sons and daughters

of Michigan to be safe. We work hard to keep them safe.

We urge you to help us in our efforts by supporting full funding of PA 289.

Thank you for your time and consideration.