

**DATE:** October 13, 2016**FILE:** 7200-02**TO:** Chair and directors  
Electoral areas services committee**FROM:** Debra Oakman, CPA, CMA  
Chief Administrative Officer**RE:** Merville community fire protection services project

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**Purpose**

The purpose of this report is to update the electoral areas services committee on the status of the Merville community fire protection services project, provide the final consultation review report and also recommend that a conversion be supported.

**Policy analysis**

Fire protection services in Electoral Areas B (Lazo North) and C (Puntledge – Black Creek), for the purpose of the Merville community fire protection services project, are delivered by:

- The Oyster River Volunteer Fire Department to the Black Creek – Oyster Bay fire protection service area, which is a Comox Valley Regional District (CVRD) service with the participants being Electoral Area C and Electoral Area D from the Strathcona Regional District;
- The City of Courtenay via contract to the Tsolum-Farnham fire protection service area, which is a CVRD service with Electoral Area C as the only participant; and
- The City of Courtenay via contract to the Merville Fire Protection District (MFPD), which is an improvement district in Electoral Areas B and C.

Appendix A illustrates the fire protection service areas.

Policy and governance matters associated with the Black Creek – Oyster Bay fire protection service are normally considered at Black Creek – Oyster Bay services committee meetings; however, this report is presented to the electoral areas services committee as the matter includes consideration from directors in Electoral Areas B and C as well as the director from Electoral Area D (from the Strathcona Regional District). The recommendations contained in this report relate to governance for the Comox Valley Regional District and are not limited to the Black Creek – Oyster Bay solely.

**Executive summary**

A research project began in May 2016 to investigate the fire protection costs, benefits and governance in the Merville community area. This study was, in part, to respond to queries from some residents and property owners who expressed interest in changing their responsive fire department. The CVRD retained the services of Fred Banham and Associates and Dave Mitchell and Associates to deliver the scope of work identified in appendix B. A website, newspaper advertisements and correspondence mailed directly to property owners in the MFPD and Tsolum-Farnham fire protection service area provided information and project updates to members of the public. The correspondence also invited members of the public to an open house on October 3, 2016.

The consultants presented the report findings at the special electoral areas services committee meeting on October 3, 2016 and at the open house at the Merville community hall that same evening. Approximately 100 members of the public attended the open house. A summary of the

open house and comments submitted from the public are incorporated into the consultants' final report.

The final report from Fred Banham and Associates and Dave Mitchell and Associates, dated October 2016 is included in this report as appendix C and is also posted to the CVRD project page at [www.comoxvalleyrd.ca/mervillefire](http://www.comoxvalleyrd.ca/mervillefire). The report recommends that the MFPD “apply to the Minister to request conversion from the existing Improvement District model of governance to a Merville Fire Protection Local Service Area, a service function of the Comox Valley Regional District.” The report further recommends that the CVRD

- “develop an auxiliary hall facility in the Merville region, co-funded by the Merville and Tsolum-Farnham property tax local service areas” and
- “operate the auxiliary fire hall under contract with an established fire department as part of their fire response jurisdiction.”

This staff report considers the first recommendation from the consultants' report only and makes a similar recommendation to the EASC and board as noted below. The additional consultants' recommendations could be considered after a conversion has occurred. As noted in the consultants' report, procurement and construction for a new auxiliary fire hall facility could take up to two years.

It is acknowledged that a conversion to a local service area will not change the current fire service delivery in the short term. Following further discussions with the City of Courtenay the regional district will consider recommendations to change the service delivery model. This timeframe is expected to be one to two years.

The study was partially funded by way of cost sharing agreement with the Ministry of Community, Sport and Cultural Development. In accordance with this agreement, the regional district will submit the consultant's final report to the Province. Further, the consultants' report will be distributed to the City of Courtenay, and the Merville Fire Protection District for further consideration.

**Recommendation from the chief administrative officer:**

THAT the final report from Fred Banham and Associates and Dave Mitchell and Associates be forwarded to the Merville Fire Protection District advising that the Comox Valley Regional District will support them in sending a letter to the Ministry of Community, Sport and Cultural Development requesting dissolution and conversion to a local service area effective January 1, 2017.

AND FURTHER THAT the final report from red Banham and Associates and Dave Mitchell and Associates be forwarded to the City of Courtenay and the Ministry of Community, Sport and Cultural Development for information.

Respectfully:

***D. Oakman***

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Debra Oakman, CPA, CMA  
Chief Administrative Officer

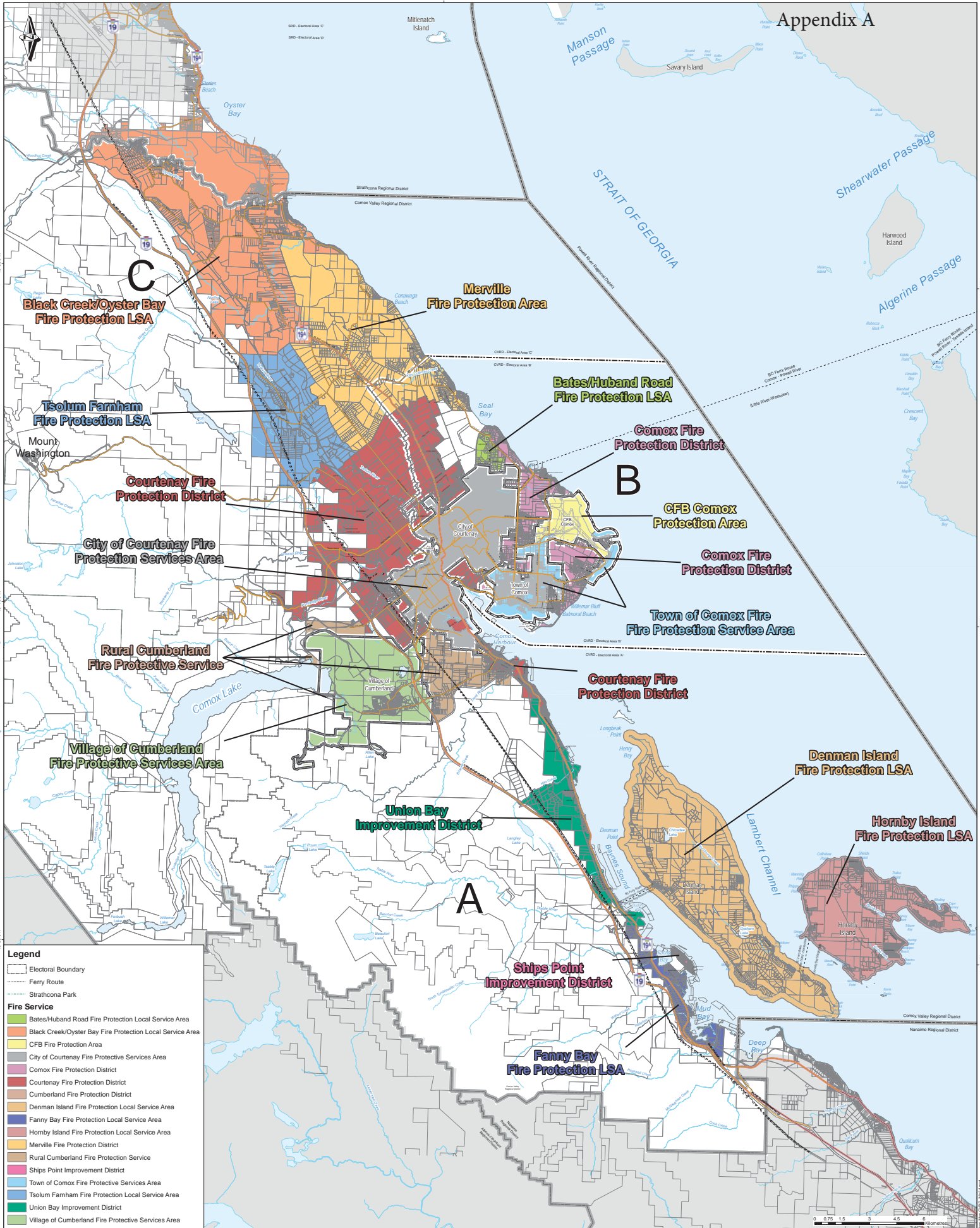
Prepared by:

***J. Warren***

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James Warren  
General Manager of Corporate  
Services Branch

Attachments: Appendix A – “Fire protection areas map”  
Appendix B – “Scope of work for consultants on Merville community fire protection services project”  
Appendix C – “Final report from Fred Banham and Associates and Dave Mitchell and Associates dated October, 2016 regarding the Merville community fire protection services project”



Assessment phase

- A review of the current fire service boundaries and governance models for the fire services provided the Comox Valley Regional District (CVRD) and the Merville Fire Protection District (MFPD).
- A review of the bylaws, service agreements and other relevant documents for each of the three service areas.
- The consultant will conduct a site visit of the three service areas.
- The consultant will coordinate interviews with the Courtenay and Oyster River fire chiefs, the MFPD chair or designate, CVRD staff and other stakeholders and information sources as may be identified. The fire protection consultant considers the various interests of the stakeholders at a technical level, including meetings between the relevant fire chiefs and MFPD chair or designate.
- A review of the current taxation levels within each of the three service areas.
- The consultant will deliver a current situation summary report to the CVRD and the MFPD.

Research phase

- Financial and cost recovery implications
- Bylaws and associated legislative and regulatory requirements.
- Distance and response time
- *Existing* and potential contract arrangements/costs in relation to equipment, personnel, finances, and operational services where applicable.
- Volunteer staff considerations
- Operational considerations

Reporting phase (in conjunction with the governance and process consultant)

- Prior to completion of the final report, there must be at least one opportunity for presentation of the results to the community, to the MFPD board of trustees, and to the CVRD electoral areas services committee.
- The report must also identify the methodology used for the study and identify leading practices for community engagement utilized during the study process.
- The CVRD will provide a copy of the final report to the Ministry of Community, Sport, and Cultural Development.



And

Merville Fire Protection District

## Fire Service Review

Fire Protection in the Black Creek/Oyster Bay Fire Protection Service Area, the Tsolum-Farnham Fire Protection Service Area and the Merville Fire Protection District

This Collaborative Report was  
Researched and Written by:  
Dave Mitchell & Associates Ltd.  
And  
Fred Banham & Associates Ltd.  
September 2016

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## Preamble

The Comox Valley Regional District (CVRD) has engaged the services of Dave Mitchell & Associates and Fred Banham & Associates to assist administration in providing Elected Officials, senior staff and the community in conducting a Local Government Fire Services Review with specific analysis and research into the Tsolum-Farnham Fire Protection Local Service Area and the Merville Fire Protection District (MFPD) to consider options available in achieving fire insurance – ‘protected’ ratings and what governance model might best suit a change in the fire service model.

Property insurance savings for enhanced fire service options are suggested. These savings are identified based on Insurance Industry standards and relate directly to the fire risk portion of an insurance policy. As well there is no guarantee that every property owner will realize fire insurance savings as the industry is privately operated and government has no influence over insurance policy rates. The Fire Underwrites Survey does identify a potential constituent savings on insurance of \$1,681,695 in in the Comox Valley Regional District if DPG 3B rating was achieved<sup>1</sup>. It can be said that the majority of property owners will see a reduced insurance policy premium with enhanced fire protection.

Financial figures for current services identified in this report use 2016 budget expenditures. Enhanced fire service estimates have been calculated on an equalized property assessment valuation similar to calculation used to fund the fire service contracts currently in place. Cost per \$1000 of assessed value of land and improvements is reported at a residential tax rate value.

This report is intended as advice only for Merville Fire Protection District Board of Trustees, Comox Valley Regional District elected officials, and senior staff in consideration of the regions’ current fire protection service and future fire protection needs. Recommendations in this report are recommendations of the authors and may or may not be embraced by elected officials and senior staff.

## Executive Summary

The Tsolum-Farnham and Merville community fire protection service study is a look at the rural fire protection service delivery model that is currently providing fire service in the Merville and Tsolum-Farnham regions of the Comox Valley Regional District as defined by local service areas for property tax purposes between the City of Courtenay and the Oyster River on Vancouver Island. The areas have received some form of fire response for a significant number of years, Merville Fire Protection District was established in 1947 with the Tsolum-Farnham region’s establishment bylaw first enacted in 1969.

The Courtenay Fire Department (the “CFD”) currently provides fire protection to these areas under contract with the CVRD for the Tsolum-Farnham area coverage and the MFPD for the

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<sup>1</sup> 2014 Courtenay FUS Report, page 151

Merville area. Response data<sup>2</sup> for the most recent five-year period was reviewed and during that period there were a total of 12 responses to Tsolum-Farnham and 67 to Merville.

Some members of the local community believe that they might obtain a more cost effective level of fire insurance by changing service providers from the CFD to the Oyster River Fire Rescue Department (the “ORFR”). Since the ORFR is closer to their properties than the CFD, the residents believe that their fire insurance costs would therefore be reduced.

The cost for fire insurance is determined in part by the marketplace and in part by the Fire Underwriters Survey (the “FUS”) which has defined protected status in terms of distance from a property to a functional fire hall. The stated position of the FUS is that a single family residence should be no more than eight kilometres by road network from a fire hall in order to be considered as protected. Beyond that distance it may be determined to be unprotected and attract a higher premium for fire insurance. Greater detail on the FUS requirements and potential savings on fire insurance premiums can be found within the report.

The Tsolum-Farnham and Merville local areas were reviewed to measure their relative distances from both the CFD and the ORFR. That review confirmed that neither department is within eight kilometres of Merville by road network. It is true that some properties in the north part of Merville are closer to the ORFR than to the CFD, but those properties are still beyond the eight kilometres needed to obtain protected status from the FUS.

In order to obtain protected status for those properties, a new fire hall would need to be built in some intermediate location. Coverage plots from a notional location show that if a fire hall were to be built in Merville, it would provide virtually complete coverage to Merville and Tsolum-Farnham. If a new fire hall were to be built, there are three options for its operation:

1. Courtenay Fire Department operates the new fire hall;
2. Oyster River Fire Rescue Department operates the new fire hall; or
3. An independent fire department is established to operate the new fire hall.

All three options require volunteer firefighters to be recruited from within the Merville and Tsolum-Farnham fire protection service area.

Governance wise the area is unique in that the Merville Fire Protection Area is administered by an elected Board of Trustees while the Tsolum-Farnham area is a local service area function of the Comox Valley Regional District. In the future, if it is determined to not change the fire service delivery model, the current governance models will continue to work as long as individuals can be found to sit on the Merville Fire Protection District Board of Trustees. Alternatively, if the decision is to look at an enhanced fire service model to address fire insurance ratings, a new fire hall will have to be established, which will require significant work and attention. The

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<sup>2</sup> This was for fire responses by the Courtenay Fire Department.

Regional District is in the best administrative management position to address the needs of both the Tsolum-Farnham and Merville taxpayers with an effective enhanced fire service model.

This report recommends:

- 1) The Merville Fire Protection District apply to the Minister to request conversion from the existing Improvement District model of governance to a Merville Fire Protection Local Service Area, a service function of the Comox Valley Regional District.
- 2) The Regional District proceed to develop an auxiliary fire hall facility in the Merville region, co-funded by the Merville and Tsolum-Farnham property tax local service areas and operate the auxiliary fire hall under contract with an established fire department as part of their fire response jurisdiction.

This report, its findings and recommendation were presented for information by the consultants twice on October 3<sup>rd</sup>, 2016. First to elected officials and staff, at a special CVRD Electoral Area Services Committee meeting, 14 people were in attendance, and then later the same day to the public at a meeting at the Merville Community Hall where just under 100 local area residence attended.

While most people attending the presentations accepted the fact that in order to realize a better fire service, a fire hall facility needs to be constructed and operated. There was much discussion about how a new hall would be operated and little discussion about maintaining the existing fire service and little discussion over the proposed increased tax cost. Overall the general consensus seemed to be the time is right to move forward with a) building a fire hall to service the region, b) to have a fire service provided by an existing fire department under contract and c) the Regional District assuming responsibility for fire service.

## Background

The Tsolum-Farnham Fire Protection Local Service Area (LSA) and the Merville Fire Protection District, both receive fire response service from the City of Courtenay Fire Department (CFD) under contract with the Comox Valley Regional District (CVRD) to service the Tsolum-Farnham Fire Protection LSA and under a separate contract with the Merville Fire Protection District for fire service to the Merville fire service area.

The CVRD has received a number of land owner requests to consider changing the fire protection delivery in the Merville fire service area from the Courtenay Fire Department (CFD) to the Oyster River Fire Rescue Department (ORFR). The taxpayers' rationale for the change in service providers is a quicker response based upon distance to a fire hall and more importantly an anticipated reduction in the cost of fire insurance.

The CVRD issued a request for proposal to assist in examining the fire protection boundaries of three adjoining fire protection service areas and develop a rationale for maintaining the existing fire protection jurisdictional boundaries or propose changes to the current framework. Dave

Mitchell & Associates were retained to conduct a review of the fire service requirements, in particular those related to fire hall locations and the provision of a fire service. Fred Banham & Associates has been engaged to look at the governance models currently in place and what governance considerations could or should be looked at in addressing any new delivery options.

Dave Mitchell & Associates are familiar with the area, having provided advice to the CVRD and previously to the Comox Strathcona Regional District, as it was formerly known. As well, the Consultants have conducted numerous fire service reviews in British Columbia and other provinces, many of which addressed similar issues.

The Tsolum-Farnham and Merville areas were surveyed to clarify response distances by direct observation as well as by use of ESRI™ mapping software. The Consultants also met with the Courtenay Fire Department and the Oyster River Fire Rescue Department; the staff from the CVRD; the Trustees of the Merville Fire Protection District, Mike Opal and Daryl Granger; CVRD Electoral Area Directors Edwin Grieve (Area C) and Rod Nichol (Area B) and fire service delivery partner Electoral Area Director Brenda Leigh (Area D) of the Strathcona Regional District. Discussions identified concerns, public opinion and a better understanding in relation to the delivery of fire services in the Merville and Tsolum-Farnham areas currently have and what the public might like.

## Fire Underwriters Survey

This section examines the role and importance of Fire Underwriters' reviews for residents in a fire protection area, and provides a brief background on the methodology that those surveys employ. Given that the rating provided by the Fire Underwriters materially impacts insurance costs for both residential and commercial buildings, it is important to understand how the rating system operates and the potential impact it has on the cost-benefit analysis of investing in the fire service. In particular, it is important to understand how investing in the fire service through civic taxes, to maintain or improve an area's FUS rating, can potentially result in a net return (or the maintenance of major net savings) for residents and area businesses.

The Fire Underwriters are a national organization administered by Opta Municipal Consulting services (formerly, SCM Risk Management Services Inc.). Its former incarnations also include CGI Insurance Business Services, the Insurers' Advisory Organization and Canadian Underwriters Association, but in each instance, the organization was, and we believe still remains, owned or controlled by the insurance industry.

The primary purpose of the Fire Underwriters is to establish the Dwelling Protection Grade (“DPG”) and Public Fire Protection Classification (“PFPC”) for each community in the country.<sup>3</sup> The DPG rating generally applies to single family detached residences,<sup>4</sup> whereas the PFPC rating applies to multi-family residential, commercial, industrial and institutional buildings or districts, and generally is applied by the “commercial lines” arm of the insurance industry.<sup>5</sup>

Most residential homeowners and businesses carry fire and general perils insurance, and any person with a mortgage is required to maintain such insurance by the mortgagee bank or financial institution. Where a community has a fire department which meets FUS standards for performance, the cost of insurance can be significantly decreased. Thus, one of the cost-benefit analyses that underpins the investment required to maintain an FUS-rated fire department is the trade-off between the taxes needed to pay for the department and the expected saving on insurance costs.

With a well-rated fire department, the savings on insurance premiums often will offset, in whole or in significant part, the costs of operating the department. For an individual with a house that is assessed at a replacement cost for insurance purposes of \$300,000, a “protected” or “semi-protected” rating will generally result in cost saving on insurance of more than \$2,000. For commercial properties, significant reductions in insurance rates can be expected when the community obtains a PFPC rating of 7 or better. From the savings enjoyed on insurance, the tax cost of maintaining the service would then need to be deducted to determine the net direct financial benefit (or cost) of having a “rated” department.<sup>6</sup>

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<sup>3</sup> There is on-going consideration by the Fire Underwriters of the two types of classifications: it is possible that in the not-to-distant future, the two ratings will be combined so that only a single rating system exists, covering both residential and commercial/multi-family properties.

<sup>4</sup> Under the FUS definitions, the DPG ratings generally apply to the following: “One- and Two-Family Detached Dwellings (buildings containing not more than two dwelling units) in which each dwelling unit is occupied by members of a single family with not more than three outsiders, if any, accommodated in rented rooms.” Also under this system, a “typical” detached dwelling is a maximum of 3,600 square feet in size. Fire Underwriters Survey website, “Terms of Reference”, [http://www.fireunderwriters.ca/dpg\\_e.asp](http://www.fireunderwriters.ca/dpg_e.asp) accessed on 26 March 2016.

<sup>5</sup> Fire Underwriters Survey website, “What is the PFPC” at [http://www.fireunderwriters.ca/pfpc\\_e.asp](http://www.fireunderwriters.ca/pfpc_e.asp), accessed on 26 March 2016.

<sup>6</sup> The rating system is described in greater detail in the next section. ***It must be stressed that the actual cost for insurance for any homeowner or business varies based on a number of individual and site-specific factors.*** While the FUS fire grading for the area has a significant impact, a host of other considerations are also involved in the setting of insurance rates, including matters specific to the individuals or properties involved, or the competitive forces at work in the region. It is also important to note that the insurance value of a dwelling or business is not the same as its assessed value for tax purposes (as the latter incorporates the value of the land as well and the insurance value is based on the cost of building a replacement structure).

By way of example, the following tables are sometimes shown in FUS reviews. They show the amount by which “average” insurance costs drop for residential and commercial insurance as the DPG or PFPC rating improves:

DPG Rating – Estimated Insurance Costs					
Replacement Value \$	Unprotected Rate \$	60± % Reduction	Semi Protected Rate \$	32% Reduction	Fully Protected Rate \$
100,000	1,165		465		315
125,000	1,470		585		400
150,000	1,750		700		475
175,000	2,040		815		555
200,000	2,710		1,215		739
250,000	3,290		1,475		893
300,000	3,880		1,741		1,053
350,000	4,422		1,987		1,201
400,000	4,953		2,226		1,349
450,000	5,489		2,456		1,491

PFPC Rating – Estimated Insurance Cost Decreases	
PFPC 10 to PFPC 9	99.2%
PFPC 9 to PFPC 8	96.6%
PFPC 8 to PFPC 7	82.4%
PFPC 7 to PFPC 6	74.4%
PFPC 6 to PFPC 5	63.1%
PFPC 5 to PFPC 4	53.8%
PFPC 4 to PFPC 3	48.0%
PFPC 3 to PFPC 2	47.3%
PFPC 2 to PFPC 1	45.8%

As can be seen, ratings improvements in the commercial classification do not result in linear decreases. From a cost-benefit perspective, moving a rating from PFPC 8 down to ~PFPC 4 provides the optimal savings for businesses and multi-family properties. That non-linear relationship is worthy of consideration on a cost-benefit analysis between the amount required to be invested in improving the service and the expected insurance savings for owners of

commercial, industrial and multi-family properties.<sup>7</sup> Below PFPC 4, the amount required to be invested to obtain the improved rating likely will outweigh any insurance savings.

A complicating factor is that the ratings applied to a community are not necessarily uniform. FUS considers a series of issues (examined further below), which include distance from the fire hall and availability of water supplies. Thus, depending on the size and nature of the service area, the insurance benefits may not be equally enjoyed by all ratepayers.

### **Methodology Employed**

Overall Ratings Weighting: The FUS ratings are weighted against the following four areas of assessment:<sup>8</sup>

- Fire Department: 40%
- Water Supply: 30%
- Fire Safety Control: 20%
- Fire Service Communications: 10%.

The assessment also involves a consideration of the principal fire risks covered by the subject department, including determination of the required fire flows (i.e., water flow requirements for the particular hazards and risks).

The fire department assessment includes a consideration of apparatus, equipment, staffing, training, operations and administration, and the location/distribution of fire halls and fire companies. In this segment of its review, FUS analyzes the effectiveness of the fire department's ability to extinguish fires in all parts of its fire protection area.

Part of that assessment includes a review of the apparatus in use and its suitability for the subject department's fire risks. In general, FUS sets 20 years as the maximum age for front-line use of apparatus by small-medium sized communities. It also has requirements for certain apparatus types (e.g., aerial devices) depending on its assessment of the community's fire risks.<sup>9</sup>

The "Water Supply" section looks at the hydrant system (if present), and considers issues such as water flow, supply reliability and system redundancy, based on criteria set out in its "Water

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<sup>7</sup> The amount of savings can also vary with the particular type of industry or commercial undertaking. See the more detailed discussion of PFPC ratings below. The table gives the average of all savings, across all industry types.

<sup>8</sup> This information is based on various FUS reviews we have examined in work for other clients

<sup>9</sup> FUS recommends an aerial device once a community has a water flow requirement that is calculated to exceed 3,300 Imperial gallons per minute or where there are five or more buildings in the community which exceed 3 stories (10.7 metres) in height.

Supply for Public Fire Protection”.<sup>10</sup> Where no hydrant system is present or where the hydrant system only covers a portion of the fire protection area, FUS looks at the ability of the fire department to access, load, transport and unload water against the risks faced in the non-hydrant protected area. In such cases, the assessment is usually considered as part of the “Fire Department” analysis.

For example, in the FUS review of the ORFR, residents located within the Watutco Water Distribution Water System area received a lower rating than those residents living within the Black Creek – Oyster Bay Water Distribution area as a result of perceived deficiencies in the former system.

The “Fire Safety Control” category covers fire prevention programs/public education, fire inspections and building/fire code and bylaw enforcement. FUS will look at whether local government is making effective use of these tools in managing the level of fire risk throughout the fire protection area.

The “Fire Service Communications” category involves an assessment of dispatch services, paging systems and radio communications.

Ratings System. As noted above, FUS reviews involve two entirely separate rating systems – one for residential properties (DPG) and one for commercial/multi-family properties (PFPC). The DPG rating is calculated on a five-point numerical scale, whereas the PFPC rating is based on a 10-point scale. In both cases, a “1” is the highest achievable rating. In simplest terms, the goal of an FUS review is to provide insurance companies with a grading of fire protection services provided across a fire protection area.

Insurance companies use the grading rate provided by the FUS as one of a number of factors in determining local fire protection insurance rates. It should be emphasized that the system is quite fluid, and individual insurers can and will set rates based on considerations other than the FUS ratings (either higher or lower, depending on the insurer’s perception of actual risk, competitive concerns and other factors).<sup>11</sup> It is the responsibility of individual insurance companies to determine what weight they give the FUS grading when determining insurance rates.

DPG Rating. For residential properties the rating system is graded on a scale from 1 – 5 where “1” is best possible rating. The rating of “3” is split into two subcategories where “3A” indicates

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<sup>10</sup> FUS, “Water Supply for Public Fire Protection” (1999), which is available at: <http://www.scm-rms.ca/docs/Fire%20Underwriters%20Survey%20-%201999%20Water%20Supply%20for%20Public%20Fire%20Protection.pdf>, accessed 26 March 2016.

<sup>11</sup> See a list of other factors on the Fire Underwriters Survey website, “How the PFPC affects individual insurance policies” at [http://www.fireunderwriters.ca/pfpc\\_e.asp](http://www.fireunderwriters.ca/pfpc_e.asp) , accessed on 26 March 2016.

that there is an approved hydrant or water supply system, and “3B” indicates that the department relies on mobile water supplies. From the insurance industry’s perspective, the ratings for residential homeowners are generally treated as follows:

DPG Rating	Insurance Status	Comment
5	Unprotected	No savings on insurance from having a fire department.
4	Semi-protected	Some savings on insurance likely will be enjoyed; in some regions, this rating and “3B” are treated as essentially equivalent.
3B	Semi-protected	This is usually the rating level at which significant cost savings on insurance are enjoyed. This is usually the highest rating available in areas which are not hydrant-protected.
3A; 3B(S) <sup>12</sup>	Protected	Progressively greater savings on insurance. Fully protected status typically means a savings of 50-60% on insurance costs.
2	Protected	
1	Protected	

### Dwelling Protection Grade Ratings

In general, FUS estimates that a community which achieves fully protected status can enjoy savings on insurance of up to 60% versus communities which are “unprotected”.<sup>13</sup> By way of example, in a recent fire master plan we worked on, two of the members of council to whom we delivered the report exemplified the difference that the FUS rating makes. In that instance, the fire department’s coverage zone was greater than eight kilometres, so residents outside of the eight kilometre zone did not receive the benefit of a reduced insurance rate. One councillor was paying more than \$3000 for fire insurance, while the other was paying less than \$1000 – in relation to properties that the two agreed were otherwise broadly similar.<sup>14</sup>

<sup>12</sup> A rating of 3B(S) is an FUS accreditation for tanker shuttle capability, where a department is able to demonstrate its ability to maintain a specified water flow for a stipulated period of time, using tanker units. It applies to areas which are not hydrant-protected, and must be periodically renewed. This specialty rating is treated by most insurers as being the equivalent of a “DPG 3A” (fully protected) rating.

<sup>13</sup> This estimate is based on statements in various reviews conducted by the FUS, including for the Kootenay Boundary Regional Fire Service (2008), the Sasamat Volunteer Fire Department (2010), and the Courtenay Fire Department (2014) at page 149.

<sup>14</sup> The example also illustrates a problem where the financial benefits of having a fire department are not equally enjoyed by all taxpayers.

There are some fundamental location and distance requirements for an area to receive a protected or semi-protected rating:

- residents must live within eight kilometres by road of a fire hall (i.e., the measurement is based on distance travelled on the existing road network, not in a straight line from the fire hall); and
- for hydrant protected areas, the residence must be within 300 metres of a fire hydrant (or else the residence is classed based on the community's "non-hydrant protected" rating).<sup>15</sup>

Properties which are more than eight kilometres by road from a fire hall are treated as DPG 5 (unprotected).

PFPC Rating. The PFPC rating, which is determined at the same time as the DPG rating, is based on similar factors. The impact of an improved classification varies with the industry – higher risk industries enjoy greater savings at certain levels – for example, as the PFPC rating improves from 8 to 7.<sup>16</sup> In the context of other work we have undertaken, we have reviewed information from FUS which suggests that for each level of improvement in the PFPC classification, the average commercial insurance cost for a typical area will drop by approximately 4 – 15%, depending on which level of the scale one is on (see chart above).

The following factors are integrated into the PFPC assessment:<sup>17</sup>

1. Fire Risk, including analysis of required fire flows for individual buildings, building groups and zones of similar risk (Fire Flow Demand Zones) of the community;
2. Fire Department, including apparatus, equipment, staffing, training, operations and geographic distribution of fire companies;
3. Water Supply system, including source to distribution analysis, redundancy factors, condition and maintenance of various components, and storage volume;

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<sup>15</sup> This distance can be extended to 600 metres if a department is certified by FUS as capable of “large diameter hose-lay”. See: FUS, *Accreditation of Alternate Water Supplies for Public Fire Protection* (December 2010), at <http://www.fireunderwriters.ca/doc/FUSBulletin-2010.12.10-AlternativeWaterSupplyAccreditation.pdf>, accessed on 26 March 2016.

<sup>16</sup> Based on other FUS reviews, where for one department’s area, industry classified as “Manufacturing (Wood)”, showed a 17% insurance cost saving when moving from a PFPC 8 to PFPC 7, which contrasted with only 3 – 4% savings enjoyed by less risky undertakings.

<sup>17</sup> From: Fire Underwriters Survey website, “How the PFPC grading system works”, at [http://www.fireunderwriters.ca/pfpc\\_e.asp](http://www.fireunderwriters.ca/pfpc_e.asp), accessed on 26 March 2016.

4. Fire Prevention and Fire Safety Control programs including public education, codes/bylaws implementation and use of codes/bylaws in managing the level of fire risk throughout communities; and
5. Emergency Communication systems, including telephone systems, telephone lines, staffing, and dispatching systems.

The PFPC rating is essentially a benchmarking against various standards or requirements in each category and in relation to other communities.

For a commercial property, the application of the rating system depends on the distance from the fire hall and, in hydrant protected areas, distance from a fire hydrant. This can result in “split ratings” for a fire protection area. The FUS describes split ratings as follows:<sup>18</sup>

"In many communities, FUS develops a split classification (for example, 5/9). Generally, the first class, (Class 5 in the example) applies to properties insured under Commercial Lines within five road kilometres of a fire station and within 150 metres of a fire hydrant. The second class (Class 9 in the example) applies to properties insured under Commercial Lines within five road kilometres of a fire station but beyond 150 metres of a hydrant. FUS assigns Class 10 to properties insured under Commercial Lines that are located beyond five road kilometres from the responding fire station."

It should be noted that newer FUS reviews, in addition to introducing more detailed ratings and some new concepts,<sup>19</sup> are increasingly focusing on fire prevention, fire education and the importance of bylaws which support good fire protection practices (e.g., sprinklering requirements, a well-considered fire inspection program, etc.).

**Summary:** The principal benefit of having an effective, well-equipped and well-trained fire department is that it will materially improve the life safety of residents in its fire protection area. From a financial perspective, however, it also is critical to understand that a fire department which is well rated by the Fire Underwriters may result in reduced insurance costs for both residents and commercial undertakings depending on the particular circumstances. The savings on insurance very often more than cover the cost of maintaining the fire department – particularly where the service is provided by a volunteer or composite department. Therefore, there is a good business case for investing in the fire department to maintain and, potentially, to improve a service area’s fire insurance rating. However, before undertaking a Fire

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<sup>18</sup> From: Fire Underwriters Survey website, “Split Classifications”, at: [http://www.fireunderwriters.ca/pfpc\\_e.asp](http://www.fireunderwriters.ca/pfpc_e.asp), accessed on 26 March 2016.

<sup>19</sup> Some of the concepts introduced over the past several years include a “divergence penalty” – where either the water supply system or the fire department is markedly better than the other, the overall score will be reduced – and a general penalty for “special hazards analysis”, which seems to be a largely subjective assessment of risks from natural or environmental factors (e.g., earthquake, wildfire and weather).

Underwriters' review, it is critical that the fire department and District staff thoroughly understand the basis on which these types of reviews are conducted.

The FUS provides clear direction in terms of the coverage requirement for a residential property to be considered as protected. The specific requirement for the distance between a property and a fire hall for a recognized Dwelling Protection Grade (the "DPG") are:

Recognized response distances are limited to 8km by road of continuously accessible (and appropriately maintained) public roads. Response from within 5km by road is preferred due to reduction in response times. Private roads may be recognized where evidence of maintenance reliability is evaluated and accepted by Fire Underwriters Survey.<sup>20</sup>

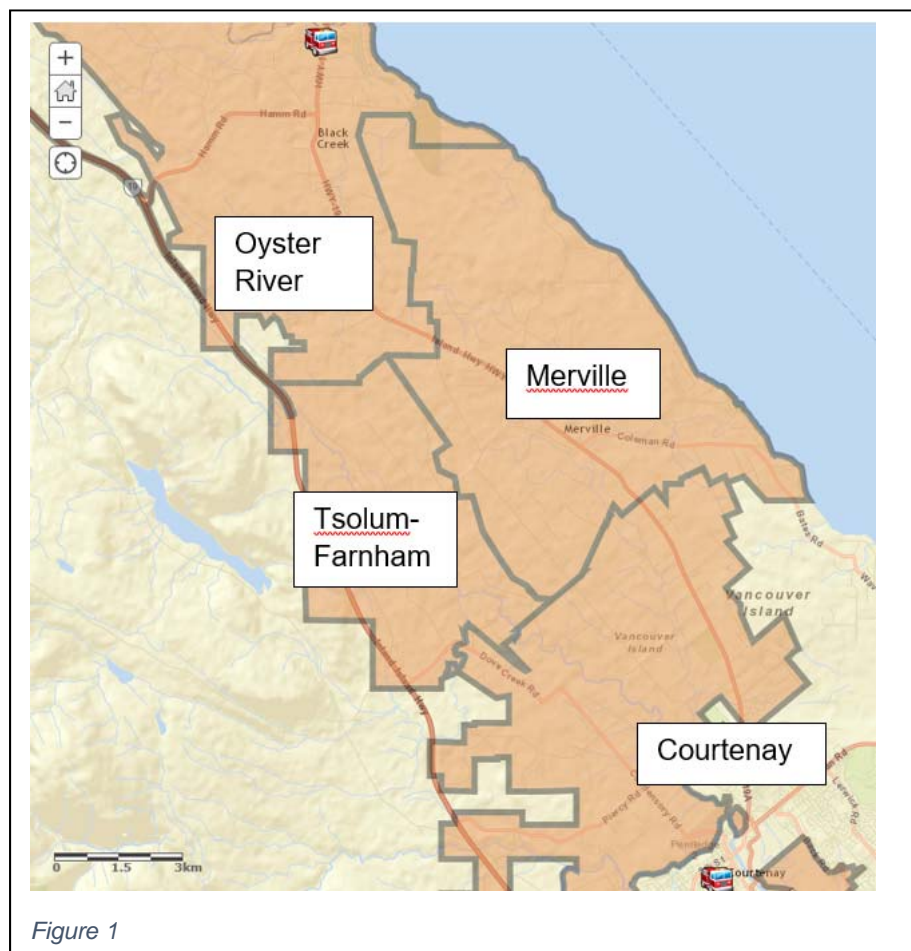
## Tsolum-Farnham and Merville Fire Protection Areas

The Tsolum-Farnham and Merville fire protection areas lie between Courtenay and Oyster River as shown in Figure 1.

Both fire protection areas are currently served by the CFD, shown at the bottom of the map.

The issue that has arisen is that some residents in the north part of the Merville fire protection area understand that they are physically closer to the ORFR at the top of the map.

For this reason, they feel there may be a



<sup>20</sup> [http://www.fireunderwriters.ca/dpg\\_e.asp](http://www.fireunderwriters.ca/dpg_e.asp) accessed July 15, 2016.

benefit in terms of their fire insurance based on being closer to the ORFR.

The properties concerned are just at the south limit of the ORFR fire protection area and are shown in Figure 2.

These properties are adjacent to Highway 19A south and east of the boundary, and one requirement will be to determine the relative distance to either fire department.

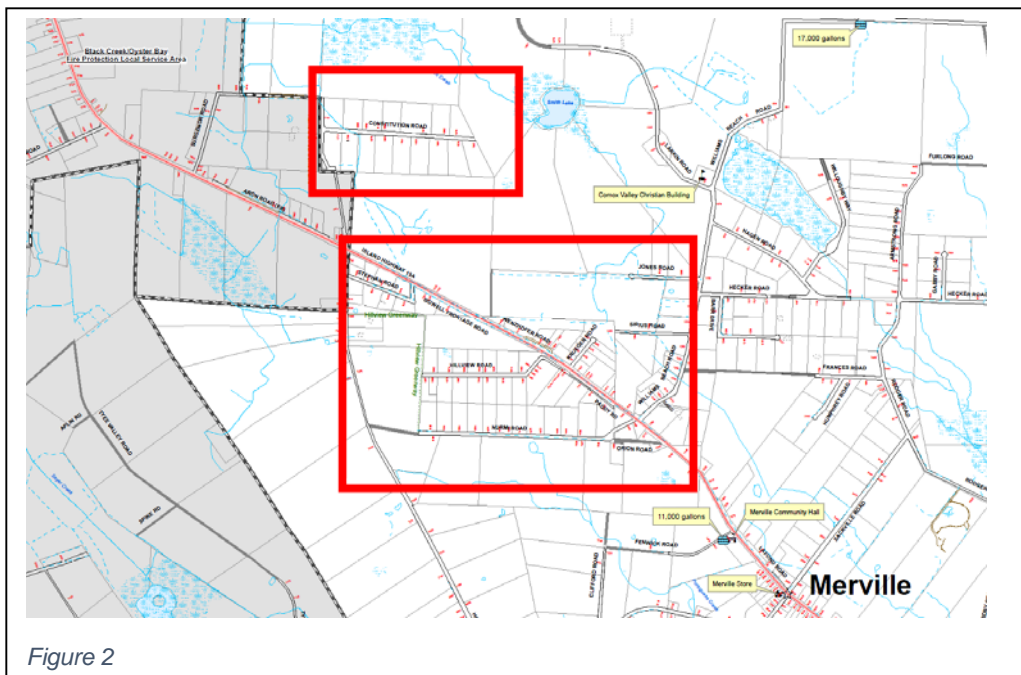


Figure 2

### Response Analysis: Tsolum-Farnham

Response data for Tsolum-Farnham was provided by the CFD for the period ending in December 2015. The total number of responses is 12; shown in Figure 3. Responses range from one in 2013 to a maximum of four each in 2012 and 2014.

The breakdown of the responses by type is shown in Table 1 on the following page.

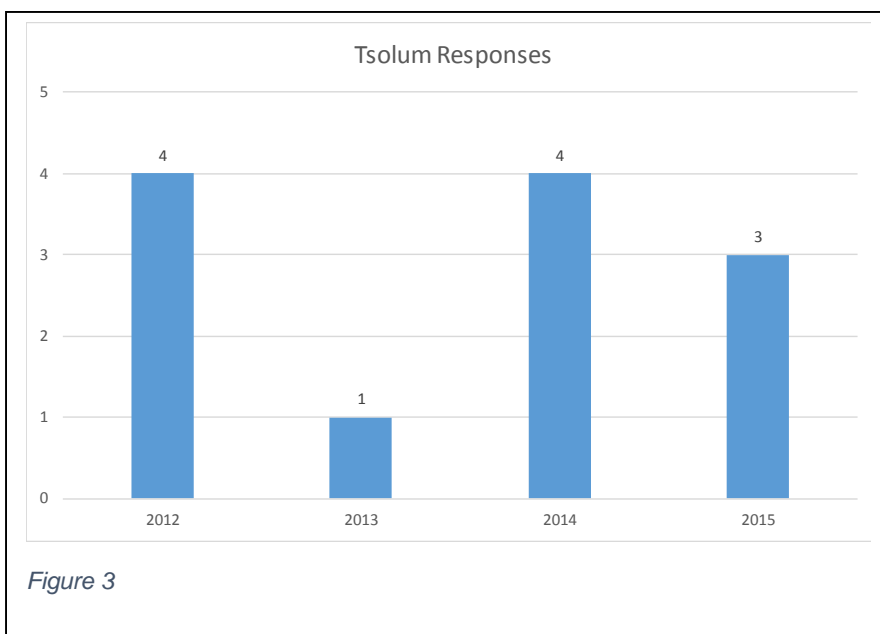


Figure 3

The largest number of responses is for issues related to hydro lines, followed by chimney fires. During this period there was a single structure fire.

Table 1: CFD Responses to Tsolum-Farnham

Response Type	2012	2013	2014	2015	Total
Alarms Activated			1	1	2
Carbon Monoxide Alarms			1		1
Chimney Fire	2		1		3
Hydro Lines	1	1	1	1	4
Open Burning	1				1
Structure Fire				1	1
<b>Grand Total</b>	<b>4</b>	<b>1</b>	<b>4</b>	<b>3</b>	<b>12</b>

### Response Analysis: Merville

Response data was also provided for Merville and total number of responses by year is shown in Figure 4. Responses range from a minimum of nine in 2011 to a maximum of 17 in 2013.

The breakdown of responses by type is shown in Table 2.

The largest number of responses is for alarms activated and hydro lines with 14 each during the period. The second largest occurrence was for open burning and vehicle fires with nine. There were seven responses for chimney fires, and six structure fires.

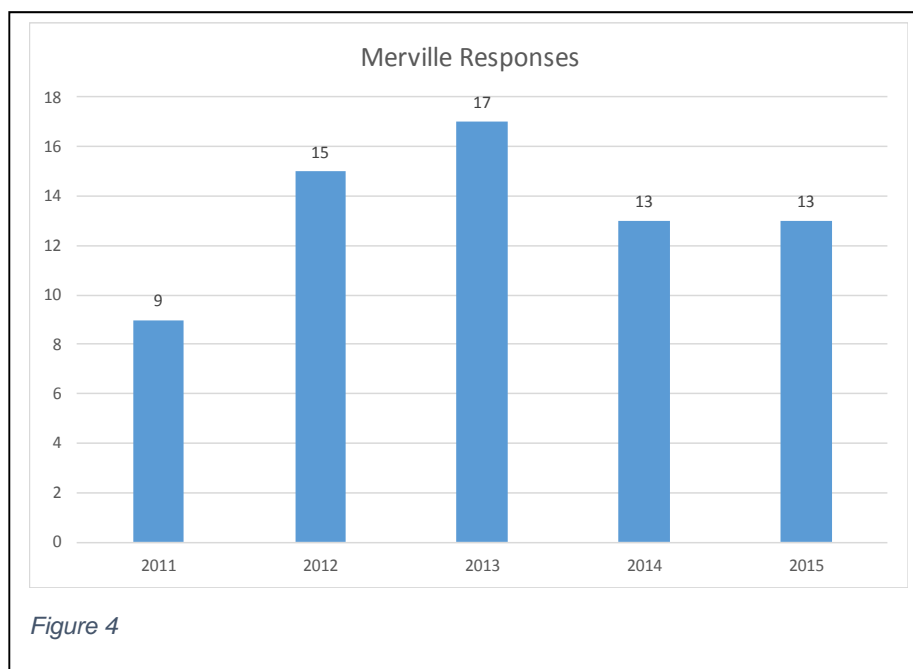


Figure 4

Table 2: CFD Responses to Merville

Response Type	2011	2012	2013	2014	2015	Total
Alarms Activated	1	2	6	4	1	14
Carbon Monoxide Alarms		1				1
Chimney Fire		2	2	1	2	7
Hydro Lines	1	2	2	3	6	14
Open Burning	1	1	4	1	2	9
Propane Gas		1				1
Smoke Report	1	3	1			5
Smoldering Fire					1	1
Structure Fire	2	2		2		6
Vehicle Fire	3	1	2	2	1	9
<b>Grand Total</b>	<b>9</b>	<b>15</b>	<b>17</b>	<b>13</b>	<b>13</b>	<b>67</b>

## Oyster River Fire Rescue Department

The ORFR has one fire hall located at 2241 Catherwood Road in Black Creek.

The Department has two career members (a Fire Chief and a Deputy Fire Chief) both of whom are CVRD employees. These members work Monday to Friday from 8 am until 5 pm. The remaining members of the Department (36 in total) are auxiliary volunteers.

The Department operates two engines and one tanker truck.

Figure 5 illustrates the coverage area by the

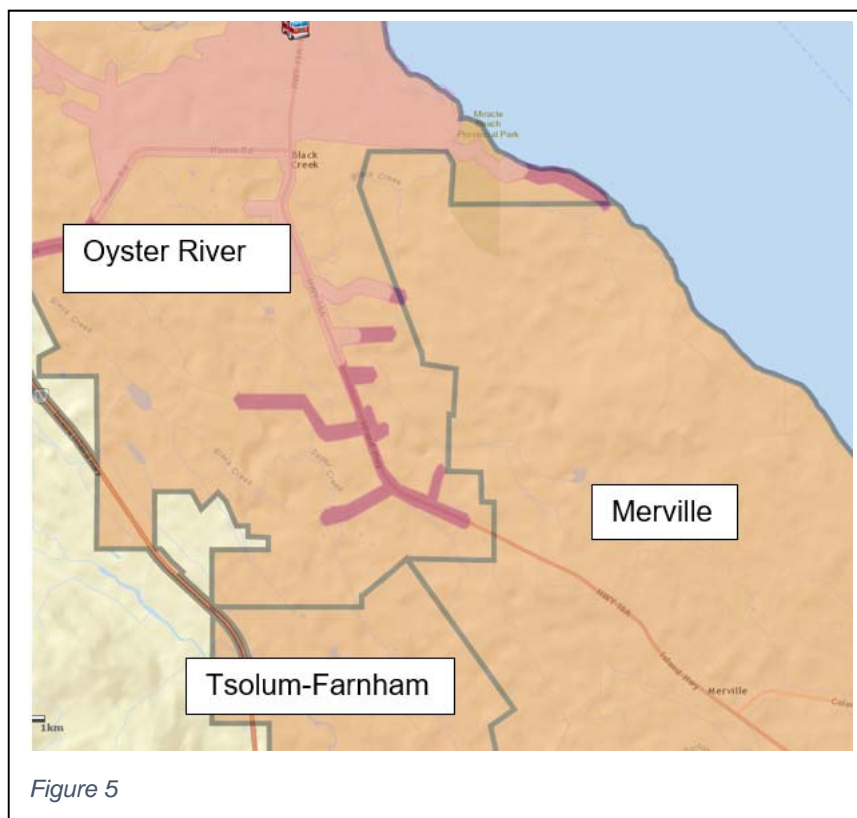
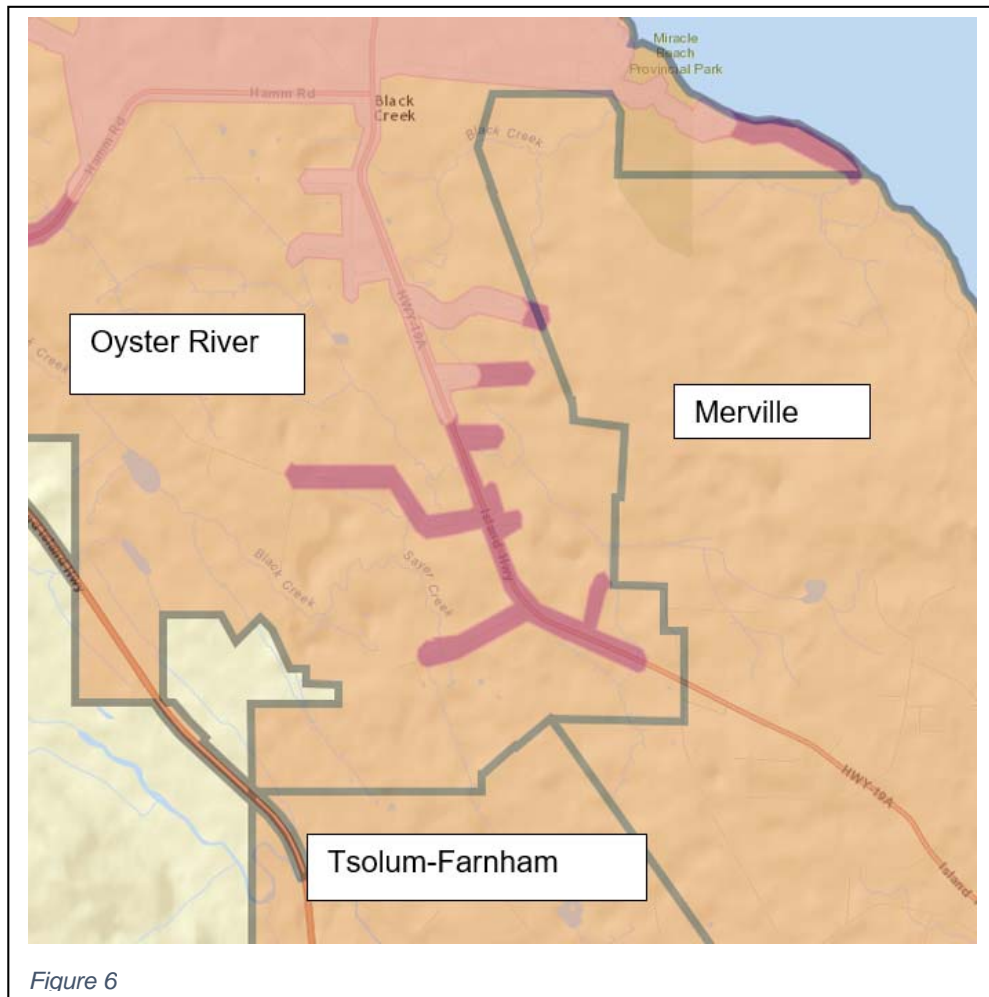


Figure 5

ORFR. The darker purple part of the response polygon is the eight kilometre limit; the lighter pink is five kilometres.

From this it can be seen that the ORFR fire hall does not provide eight kilometre coverage to any part of Merville or Tsolum, although it comes fairly close to the properties that have expressed interest in coverage.

The area in question is shown in greater detail in Figure 6 showing the proximity of the ORFR.



## Courtenay Fire Department

The CFD fire hall is located at 650 Cumberland Road in Courtenay.

Figure 7 illustrates the eight kilometre limit from the CFD. The eight kilometre limit does not extend into the Merville or Tsolum Farnham fire protection areas.

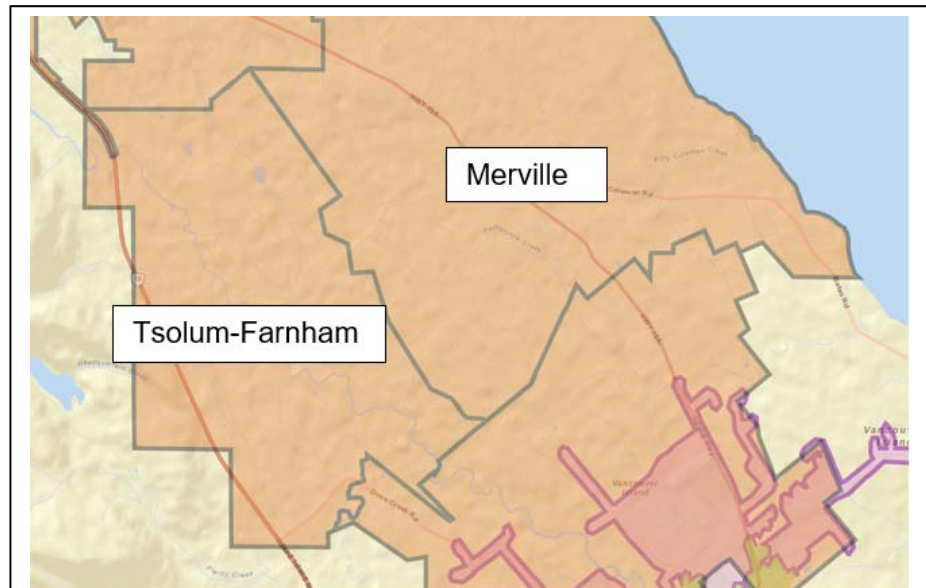


Figure 7

The coverage deficit at the south limit of Merville and Tsolum Farnham is shown in more detail in Figure 8.

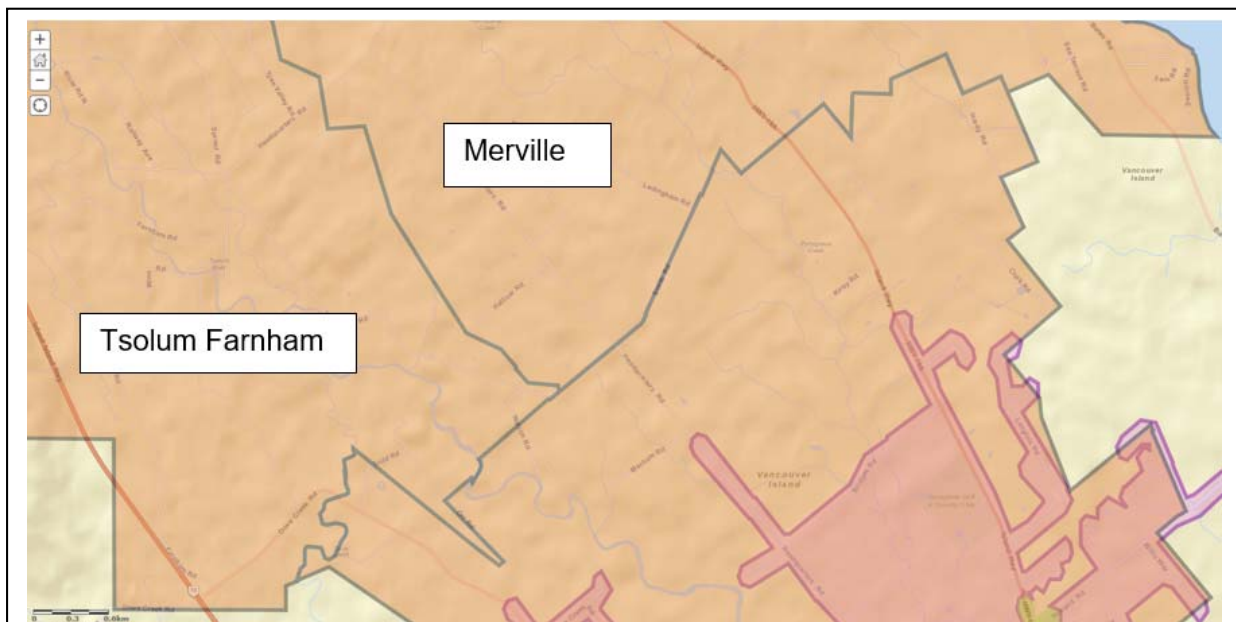


Figure 8

## Coverage Issues

Providing eight kilometre coverage in the Tsolum Farnham and Merville fire protection areas does not appear to be possible from either Courtenay or Oyster River. The reason is simply that there is too great a distance to cover.

One option that could potentially provide “protected or semi protected” status for residences in this area would be a fire hall in the Merville area.

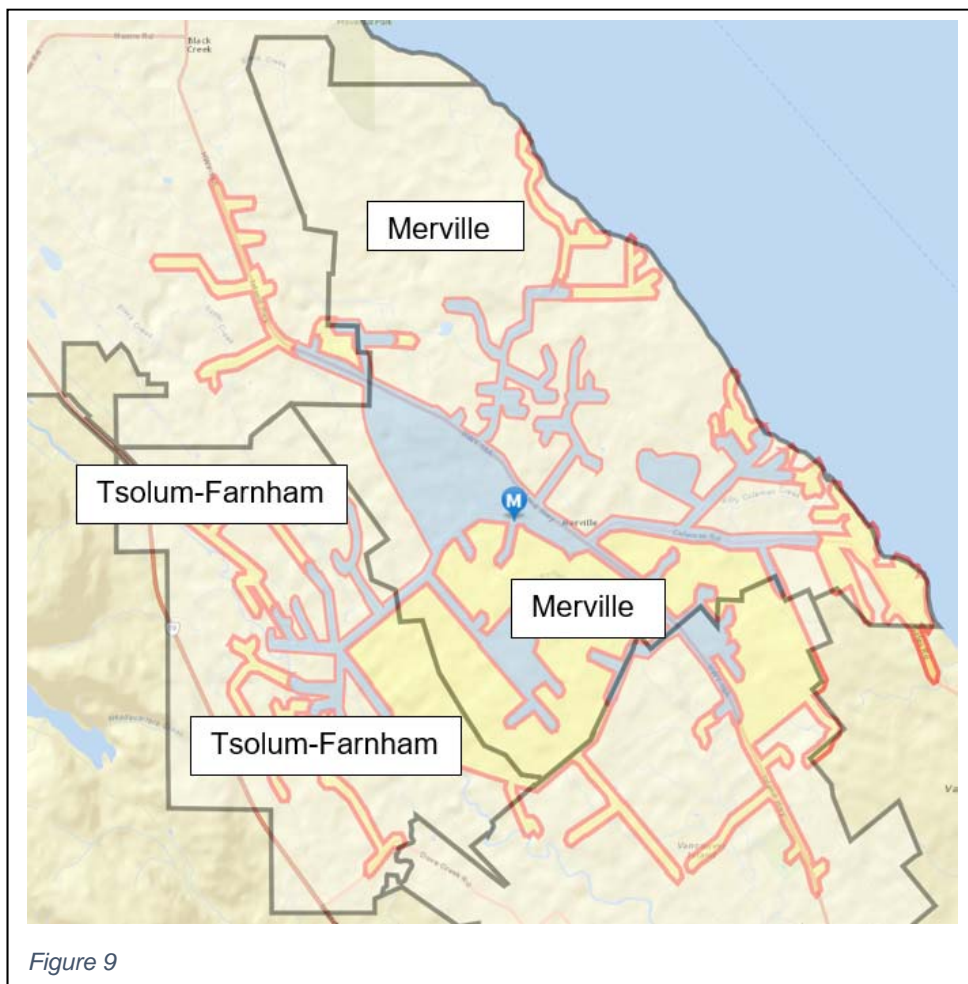
For the purposes of discussion, a notional site for a fire hall for this area was located on Sackville Road off Highway 19A and identified on Figure 9 with “M”.

The eight kilometre response polygon is shown with a red outline, in-filled with yellow. The five kilometre coverage has a blue in-fill.

From this it can be seen that a fire hall at this location would provide

eight kilometre coverage for what appears to be all of the road network in both fire protection areas. As well, that location could provide additional coverage to the north part of the Courtenay fire protection area including some parts of Bates Road. It would also provide overlap coverage in Oyster River to some parts of Endall Road, Dzini Road and Gladstone Road. It would certainly address the coverage concerns identified for the properties in Figure 2.

A similar concept was outlined in the 2014 Courtenay Fire Services Review conducted by Opta Municipal Consulting Services (Fire Underwriters Survey) where they stated:



“To improve credit within this grading item, the Courtenay Fire Department and the Comox Valley Regional District may wish to consider establishing an auxiliary fire station in the Merville Fire Protection Area or the Tsolum Farnham Fire Protection Area to improve fire department response.

As the majority of properties within the Merville or Tsolum Farnham fire protection areas are beyond the 8 km in road travel of a recognized fire station that provides response an auxiliary fire station would extend the 8 km coverage within the Dwelling Protection Grade system and allow property owners in the Comox Valley Regional District to be eligible for reduced fire insurance premiums as it relates to Personal Lines and Commercial Lines property insurance.”<sup>21</sup> [emphasis added]

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<sup>21</sup> From City of Courtenay website – FUS Review – recommendation 8.2-5 at page 14:  
<http://www.courtenay.ca/assets/Departments/Firehall/fus%20city%20of%20courtenay%20final%20report%20public%2020140417.pdf>

## Service Options

There are three options to manage an additional fire hall for the Tsolum-Farnham and the Merville fire protection areas. Those options are, in no particular order:

1. Courtenay Fire Department operates the new fire hall;
2. Oyster River Volunteer Fire Department operates the new fire hall; or
3. An independent fire department is established to operate the new fire hall.

Regardless of which option was chosen, establishing a fire hall in this area would appear to address the response requirements stated by the FUS. Options 1 and 2 are very similar; option 3 may attract additional costs for oversight and management that would be avoided by having either the CFD or the ORFR manage a fire hall within its provision of service.

Funding for each option is discussed in greater detail later in this report, however, for the purpose of the following discussion, it is assumed that those residents within the Tsolum-Farnham and Merville Fire Protection Districts would underwrite the costs of building the fire hall and purchasing the initial fire apparatus (likely an engine and a tanker) including the required ancillary equipment such as fire hose, turnout gear and nozzles.

### Option 1: Courtenay Fire Department Auxiliary Hall

A volunteer fire hall, located in Merville but managed by the CFD would provide the necessary facility to operate a fire service for the area in question. The CFD is a well-established department that provides most fire services but does not provide first medical response (“FMR”). The department currently operates with six career members on week days supplemented by 50 volunteers. During evenings and weekends the Department operates with volunteers responding from home. The CFD is the current service provider for this area and has adopted Full Service as its model of operation in terms of the Playbook<sup>22</sup>.

Under this option the new volunteer fire hall would need to recruit a minimum of 15 local residents prepared to undertake firefighter training and commit to three to five years of service to the community.

This option does require the City of Courtenay to agree to operate the Merville fire hall because the location is outside of their city limits.

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<sup>22</sup> The “Playbook” introduced by the Office of the Fire Commissioner in 2014 and revised in 2015, requires those communities or organizations that are responsible for establishing a fire service, to formally declare and adopt through bylaw or policy, the level of service the fire department will provide. Once a service level is selected, the authority having jurisdiction is then responsible to properly fund and ensure that the fire department’s level of training adequately meets the mandated proficiency requirements. The Playbook establishes three levels of service, each with a concomitant level of training and outlines in specific terms the requirements for service levels.

### Option 2: Oyster River Fire Rescue Department Auxiliary Hall

A volunteer fire hall, located in Merville but managed by the ORFR would be very similar to Option 1. The ORFR is a well-established District department that provides most fire services including FMR. The Department has two career members (a fire chief and a deputy chief) that work during the week supplemented by a large volunteer force. During evenings and weekends fire protection is provided by volunteers (the Fire Chief and Deputy also respond from home during this time). The ORFR has also adopted Full Service as its model of operation.

As in Option 1, the new volunteer fire hall would need to recruit a minimum of 15 local residents prepared to undertake firefighter training and commit to three to five years of service to the community.

### Option 3: New, Independent Fire Department

The third option would be to establish a new, independent volunteer fire department located in Merville. This decision would require larger capital and operating expenditures than Options 1 and 2. As an independent fire department it would require a minimum of an engine and a tender and possibly a second engine to meet FUS requirements. In addition to responding firefighters, the department would require its own fire chief and training officer. The MFPD would manage and operate this new, independent fire department and hall.

## Cost Options

Options 1 and 2 assume an additional fire hall managed by either the CFD or the ORFR where option 3 envisions a stand-alone fire hall managed and operated by the MFPD. For purposes of costing, because the first two options are similar this comparison will deal with the question of contracting out the management and operations of the additional fire hall versus the MFPD self-managing and operating the fire hall independently. These will be referred to as “contracting out option” vs “self-managing option”.

All costing projections should be considered approximations and are based on recent high level discussions with fire departments that have recently undertaken similar projects and purchases.

### Apparatus and Equipment

As noted in the previous section all three of the options will require the recruitment of 15 local residents prepared to undertake firefighter training, a fire engine, a water tender (tanker truck) and the required ancillary equipment such as fire hose, turnout gear, nozzles, radios etc. The following chart provides a projected cost along with the replacement cycle in terms of years.

Item	Estimated Cost	Replacement Cycle
Fire Engine	\$400,000	20 years
Water Tender	\$200,000	20 years
PPE <sup>23</sup>	\$40,000	10 years
Other Equipment	\$50,000	As needed
<b>Total</b>	<b>\$690,000</b>	

## Fire Halls

Fire Halls largely fall into two categories as follows:

- Main Fire Halls – primarily the department's main hall which in addition to the standard apparatus bays, workshop area, equipment storage/cleaning areas and kitchen and living areas. Generally, these halls include internal and external training facilities, office space for administrative duties and meeting areas for the volunteers.
- Auxiliary Fire Halls – are generally a department's second or third fire hall which are often smaller and consist mainly of the standard apparatus bays, workshop area, equipment storage/cleaning areas, and kitchen and living areas. These halls often have one or two small offices for administrative duties. Because training is done primarily at the departments 'main fire hall' it is not necessary to duplicate training facilities in these smaller auxiliary halls.

In the event a decision is made to contract out the management and operation of the additional fire hall, building a satellite fire hall will suffice. Alternately, if the decision is to self-manage the fire hall it will need to be built as a main fire hall which should include sufficient training facilities and office space to enable the fire administration to conduct their administrative duties.

The costs for building fire halls can vary greatly depending on the size, type of construction and the level of facilities provided within the building. The Yale Volunteer Fire Department recently (within the past 2 years) constructed a basic fire hall at a cost of \$350,000. (excluding land). The building is of wood frame construction and consists of two apparatus bays, a small workshop, an office, and limited training facilities. The Nanoose Volunteer Fire Department recently completed a fire hall at a cost of \$3,500,000 (land included). This hall is of brick and steel construction, has six drive-through apparatus bays, several workshops including separate turnout gear storage areas, multiple offices and several large meeting rooms/classrooms. The building has specialized training facilities for all aspects of firefighter training including a multi-storey training tower. The Yale Fire Hall is a reasonable example of a volunteer auxiliary fire hall i.e., basic but lacking the training facilities and administrative space required of a main fire hall.

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<sup>23</sup> Personal Protective Equipment.

It is our understanding, based on discussions with departments that have recently undertaken similar projects that the MFPD can estimate the following costs for construction for each of the two options:

Auxiliary Fire Hall - \$350,000 (not including land)

Main Fire Hall - \$1,500,000 (not including land)

### **Staffing and Annual Operational Costs**

Annual operating costs include the costs to operate the department on an annual basis along with the annual capital payments required to service the long term capital debt for items such as fire hall construction, fire apparatus and major equipment purchases. Major equipment costs which are often purchased under capital budgets include: SCBA (self-contained breathing apparatus), fire hose, auto extrication equipment (jaws of life) etc. Small equipment such as axes, nozzles, wrenches etc. are normally purchased from the annual operating budget.

As discussed earlier in this report, regardless of the decision to contract-out the management and operations or to self-manage, the department will need to recruit 15 area residents for the hall. If the decision to self-manage is selected, the department will also need to recruit a fire chief and training officer (the training officer can come from one of the 15 previously noted, the fire chief must be in addition to the 15). While it is understood that the fire chief and training officer are unlikely to be fulltime employees, it can be reasonably expected that the addition of these positions will likely add \$75,000 - \$100,000 to the annual operating costs of the department.

## Overall Cost Comparison

The chart below provides an overall comparison of the “contracted-out” vs the “self-managed” option. Note that neither option includes reserve contributions for asset management or replacement.

Item	Fire Service Contracted-Out	Fire Service Self-Managed
Land (1 acre)	\$250,000	\$250,000
Fire Hall	\$350,000	\$1,500,000
Engine	\$400,000	\$400,000
Water Tender	\$200,000	\$200,000
Command Vehicle		\$50,000
PPE	\$40,000	\$40,000
Other Equipment	\$50,000	\$50,000
<b>Total Capital Cost<sup>24</sup></b>	<b>\$1,290,000</b>	<b>\$2,490,000</b>
Annual Debt Cost	\$85,348	\$165,241
<b>Annual Operating Cost</b>	<b>\$300,000</b>	<b>\$400,000</b>
<b>Total Annual Operating and Debt Cost</b>	<b>\$385,348</b>	<b>\$565,241</b>

## Fire Service Options Summary

The Tsolum-Farnham and Merville fire protection areas are currently served by the CFD. All properties in these fire protection areas are beyond the eight kilometre road network from the CFD fire hall and thus are not considered as protected by the FUS. The current stated position of the FUS is that any residential property may be considered as protected for the purposes of fire insurance if it is within eight kilometres of a fire hall that meets their requirements.

One or more property owners in these areas have requested a change of service provider from the CFD to the ORFR with an assumption that by being closer to a fire hall they will achieve protected status in terms of their fire insurance. Although several of them would be closer to

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<sup>24</sup> Capital costs amortized over 20 years at 3.08% interest.

Oyster River, they would still reside outside of the eight kilometre road network from the ORFR and thus not eligible for lower fire insurance premiums.

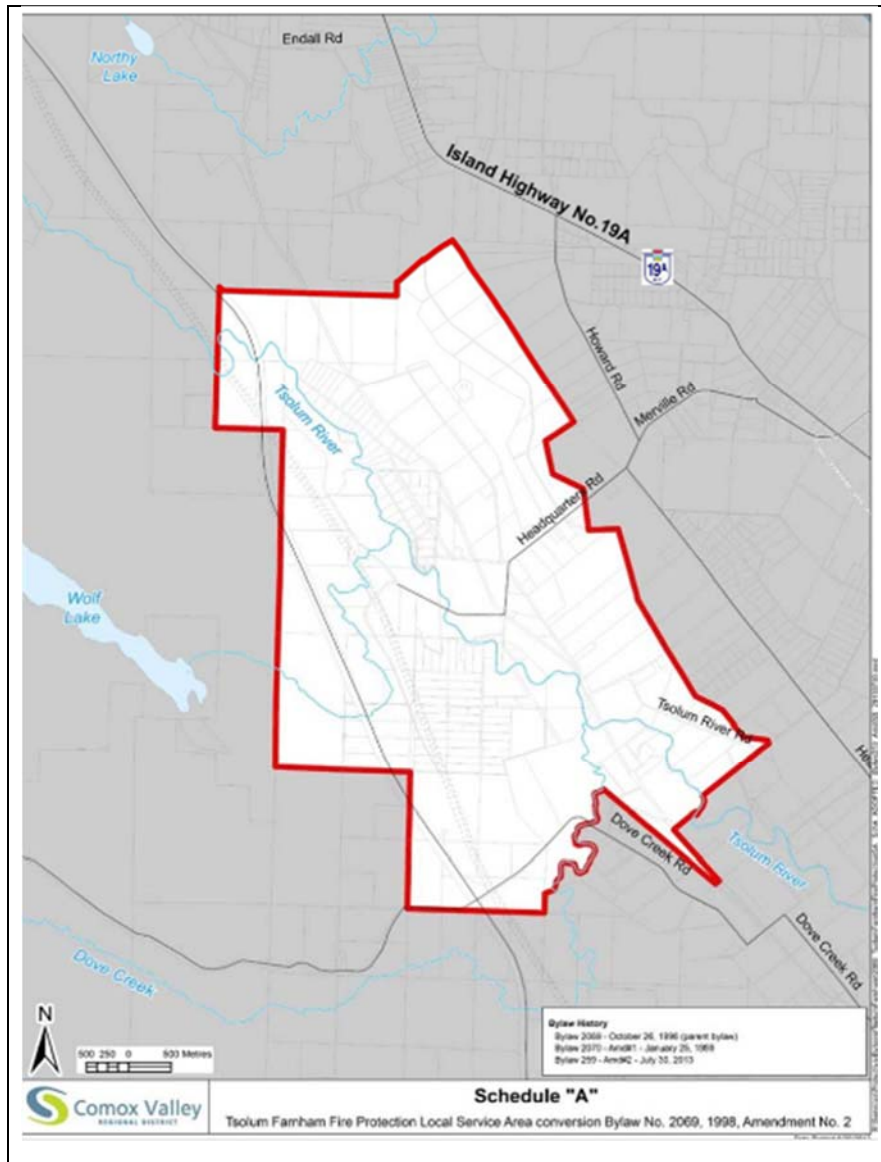
To achieve protected status in terms of the FUS there will need to be an additional fire hall and/or fire service in the Tsolum-Farnham and Merville fire protection area. Using a road network analysis, it can be shown that the area in question would be covered by an additional fire hall in this area. A fire hall in Merville at or near Sackville Road and Highway 19A would provide optimal coverage for this area and would also provide some overlap coverage for the Courtenay fire protection area to the south and to Oyster River to the north.

Provision of a fire service in this area could be provided by the establishment of a new, standalone fire department or by having an auxiliary fire hall operated by either the CFD or the ORFR. The costs for an independent service are higher than for a fire hall operated by either of the two existing fire departments. In terms of the choice between CFD and the ORFR, either department is capable of operating the service and the final decision may be determined by the total cost for capital and operation, options in terms of governance as well as the willingness on behalf of the current departments to agree to operate an auxiliary fire hall.

## Current Fire Protection Service Governance – Tsolum-Farnham

The Tsolum-Farnham area first started receiving fire service under the Black Creek Fire Protection Specified Area Establishment Bylaw 31, 1969. Over the years there have been a number of service area amendments to the establishment bylaws. Today, the “Tsolum-Farnham Fire Protection Local Service Area Conversion Bylaw No. 2069, 1998” defines the fire service area and gives the taxing authority to deliver a fire service in this rural region of the CVRD. The most recent boundary adjustments took place in bylaw amendment #2, Bylaw 259, 2013.

This area is comprised of rural residential properties, some with home based businesses, small agricultural holdings and rural undeveloped lands. The area has had some form of fire protection service since 1969. Bylaw No. 2069, 1998, provides the CVRD taxing authority to provide fire prevention, fire suppression and assistance in response to emergencies requiring rescue response. Tax requisition is based upon both land and improvement values of a total of 232 folio properties, valued by BC Assessment in 2015 at \$64,859,531. The 2016 Tsolum-Farnham fire service budget is \$51,822, of which \$25,876 is the cost of contracted fire service from the CFD. The balance of the budget covers liability insurance, administration and a \$5,495 contribution to reserves. The accumulated reserve fund for the Tsolum-Farnham Fire Protection LSA is \$24,091 year ending 2015.



The fire service contract between the Regional District and the City of Courtenay to have the Courtenay Fire Department (CFD) provide fire service is calculated on a percentage calculation of the net cost to operate the CFD divided by the total taxable assessment multiplied by the percentage taxable value of the Tsolum-Farnham service area. The net cost excludes extraordinary costs and allows for previous year's actual cost adjustments. The net cost of fire service in 2016 to the Tsolum-Farnham taxpayer is \$.71/1000 of total assessed value. This type of service delivery cost recovery formula is common in local government. The cost of service delivered is reasonable for rural property response and the CFD responds with trained firefighters and well maintained apparatus.

From Category : 100 To Category : 795		Comox Valley Regional District 2016 to 2020 Financial Plan and Capital Expenditure Bylaw No. 422 Schedule 'B'					
Account Code : 07-1-???-??? To : 07-2-???-???							
Account Code	Account Description	2015 Budget Value	2016 Budget Value	2017 Financial Value	2018 Financial Value	2019 Financial Value	2020 Financial Value
<b>235 --&gt; TSOLUM FARNHAM FIRE</b>							
01-2-235-200	SUPPORT SERVICES	808	819	836	852	868	884
01-2-235-216	MUNICIPAL CONTRACT	25,525	25,876	26,400	26,900	27,400	27,900
01-2-235-220	SALARIES & WAGES	4,250	4,338	4,439	4,528	4,618	4,711
01-2-235-225	BENEFITS	1,020	1,041	1,065	1,087	1,108	1,131
01-2-235-238	WCB	81	92	91	92	94	96
01-2-235-293	OFFICE EXPENSES	28	28	28	28	28	28
01-2-235-314	TELEPHONE & ALARM LINES	40	41	42	42	43	44
01-2-235-319	TRAINING/DEVELOPMENT & CONFERENCES	100	125	125	125	125	125
01-2-235-320	TRAVEL	100	125	125	125	125	125
01-2-235-340	DUES AND MEMBERSHIPS	50	53	53	53	53	53
01-2-235-353	PUBLIC RELATIONS	25	25	25	25	25	25
01-2-235-369	INSURANCE LIABILITY	265	265	271	276	281	286
01-2-235-381	LEGAL FEES	1,000	1,000	1,000	1,000	1,000	1,000
01-2-235-387	OTHER PROF FEES	0	12,500	8,000	5,000	5,000	5,000
01-2-235-438	CONTRACT SVCS EQUIP/MACH	0	0	0	1,000	1,000	1,000
01-2-235-489	RESERVE CONTR OTHER	6,755	5,495	7,828	9,195	8,559	7,920
<b>TSOLUM FARNHAM FIRE Total</b>		<b>40,047</b>	<b>51,822</b>	<b>50,327</b>	<b>50,327</b>	<b>50,327</b>	<b>50,327</b>

## Current Fire Protection Service Governance – Merville Fire Protection District

The Merville Fire Protection District is a property tax funded local area fire service that was established under British Columbia, *Water Act* legislation as an Improvement District by “Letters Patent” in 1947. The establishment of an Improvement District allows the Provincial Government to provide a defined service to a defined area.

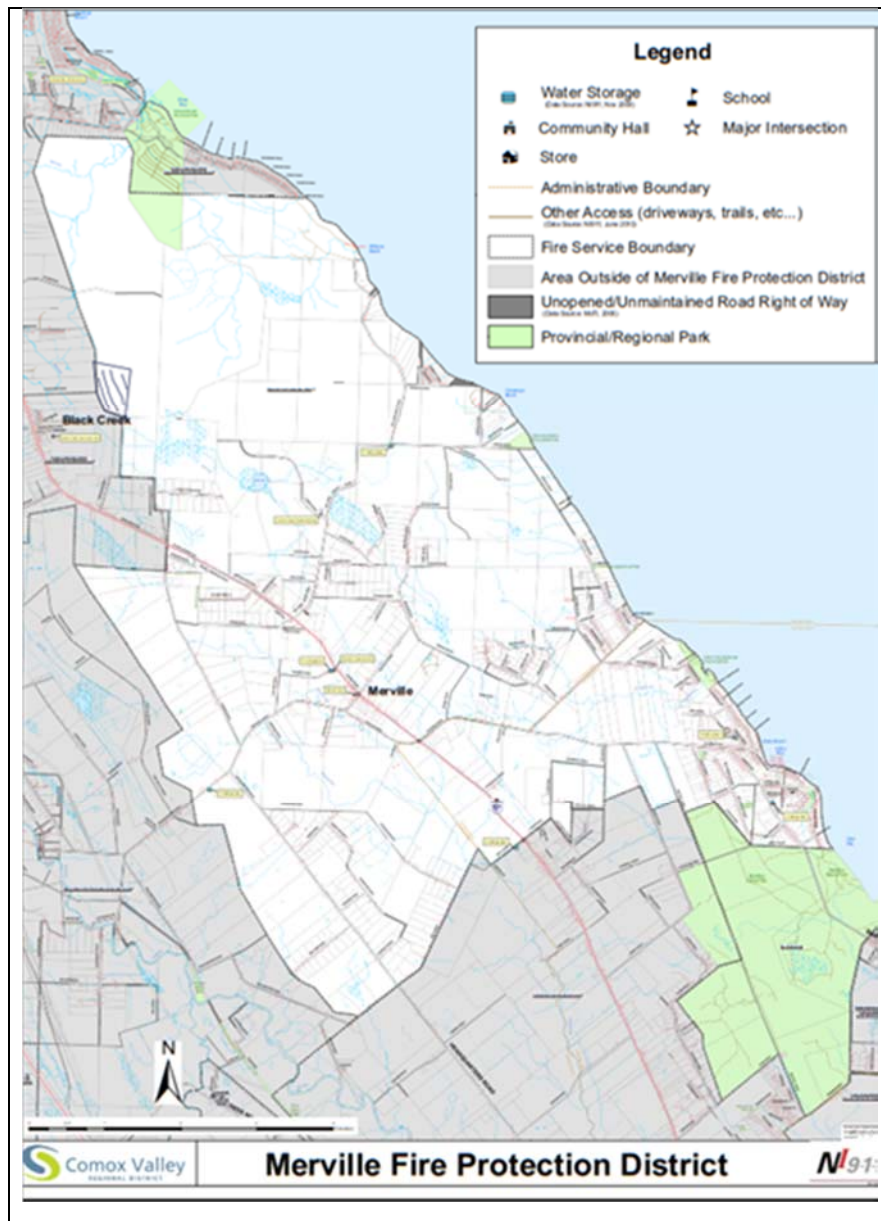
The Merville Fire service was established to provide fire protection and the acquisition, maintenance and operation of works, buildings and equipment including all things incidental to providing the service of fire protection. The service is administered and operated by a three person Board of Trustees, elected from the service area. All Merville Fire Protection District legislative changes must be approved by Ministerial Order, authorized by the Minister of Community Sport and Cultural Development.

While researching the Merville fire service it was identified that finding and maintaining volunteers to act as administrative trustees on the Merville Fire Protection District Board, is proving to be a difficult task, currently there is only one Trustee, Director Mike Obal actively sitting on the Merville Fire Protection District Board of Trustees. In order to continue to provide administrative governance to the Merville Fire Protection District, two additional representatives to the Board will have to be nominated from the fire protection area and be appointed by the Minister.

The Merville fire service area comprises of properties that are rural residential, seasonal residential, home based businesses, small agricultural holdings, resort-vacation facilities, small

industrial holding and rural undeveloped lands. Based on BC Assessment 2015 assessment roll, there are 1,148 tax folio properties in the Merville Fire Protection District, with a total land and improvement taxable value of \$488,773,037.

The fire service delivery contract between the Merville Fire Protection District and the City of Courtenay is similar to the Tsolum-Farnham fire service contract. The contract is calculated on a percentage calculation of the net cost to operate the CFD divided by the total taxable assessment multiplied by the percentage taxable value of the Merville fire service area. The net cost excludes extraordinary costs and allows for previous year's actual cost adjustments.



The Merville Fire District budgeted cost of the CFD fire service contract in 2016 is \$188,000, with the total cost of Merville fire protection being \$215,839 including addition infrastructure maintenance, insurance, administration costs and \$15,574 transfer to reserves. To year-end 2015, Merville Fire District reserve fund totaled \$275,272. The net cost of fire service in 2016 to the Merville taxpayer was \$.43/1000 of total assessed value, the same as it was in 2015.

When considering the fire response service provided by the CFD to rural properties in the Merville fire service area, the cost is reasonable.

#### **Merville Fire Protection District Financial Report**

##### **Expense Estimate for 2016**

Audit - MNP	5500
Hydrant Repair	1000
Hydrant Maintenance	1000
Advertising - meetings	400
Courtenay Fire Department	188,000
Post Office Box	165
Hall Rental for AGM	50
Insurance - Tanks	1500
Insurance - Directors	650
Tank Maintenance	2000
Building Trust Account	15,574
<b>Total</b>	<b>\$215,839.00</b>

Signed - Treasurer Merville Fire Protection

## Fire Service Delivery Options

### Status Quo, Contracted Fire Protection Service

Leaving the fire protection services as they currently are is a viable option. The current contracts with the CFD are meeting the obligations of the establishment bylaws that setup both Tsolum-Farnham and Merville fire protection areas. In not making any service delivery changes, there will be no change in the Fire Underwriters Survey (FUS) fire protection rating status (unprotected) for the primary reason of physical distance for a fire hall facility, so no insurance savings will be realized from insurers following FUS recommendations.

Status Quo, Contracted Fire Protection Service	
<u>Advantages</u>	<u>Disadvantages</u>
<ol style="list-style-type: none"><li>1. Tax requisitions to continue to provide fire service will continue to maintain in the same cost range for the immediate future (Tsolum-Farnham - \$.71/1000 &amp; Merville \$.43/1000);</li><li>2. Administering a single contract for the Merville Fire Protection District is relatively straight forward and uncomplicated;</li><li>3. If the Merville Fire Protection District were to convert to a LSA, the Regional District would continue to administer the existing contract as a Regional District service function.</li></ol>	<ol style="list-style-type: none"><li>1. There will be no insurance industry rating to support reduced fire insurance premiums. There will be no change in the current 'Unprotected' fire coverage rating designated by the Fire Underwriters Survey.</li><li>2. There continues to be a fire station void along the Highway 19A corridor (Merville) between Courtenay and the Oyster River.</li><li>3. The public debate about what fire department can or cannot provide the fastest fire response will continue with no resolve as it does not matter.</li></ol>

In keeping the existing fire service delivery model and estimating additional costs to address new government imposed 'Playbook' requirements, the ongoing financial cost to continue to provide the current fire protection service through contract with the CFD plus administration and insurance will annually be in the range of \$50,000 to \$60,000 for Tsolum-Farnham and \$220,000 to \$245,000 for the Merville Fire District in the foreseeable future.

Annual Fire Service Costs:	Merville Fire District	Tsolum-Farnham Fire LSA
Contracted fire service: -	\$188,000	\$25,876
Fire Related Service: -	\$ 3,000	\$12,500

Annual Fire Service Costs:	Merville Fire District	Tsolum-Farnham Fire LSA
Administration costs: -	\$ 7,115	\$ 7,686
Insurance: -	\$ 2,150	\$ 265
Reserve contribution: -	\$15,574	\$ 5,495
2015 tax requisition: -	\$215,839	\$51,822
Cost per \$1000 of assessment: -	\$0.43/1000	\$0.71/1000

In doing nothing there are still some changes that could be considered administratively in delivering fire service. If there were no longer interest in attracting Trustees to provide the governance for the Merville Fire Protection District, the Board of Trustees could petition the Minister of Community, Sport and Cultural Development to convert the existing Merville Fire Protection District into a Local Area Fire Service under a service function of the Comox Valley Regional District, where the fire service would be administered and managed as a local area service under the authority of the Regional District.

There would be little cost to taxpayers to convert the fire service responsibilities to the Regional District. There are not a lot of assets belonging to the Merville Fire Protection District and to maintain the same fire service would simply mean transferring the existing fire service contract relationship from Merville Fire District – City of Courtenay to CVRD – City of Courtenay. Tax requisitions collected for a fire service would continue to be collected through the Provincial Government and then forwarded to the Regional District to pay for fire service contracts.

The current cost to administer the Merville Fire Protection District is \$7,115. The cost for the Regional District to administer the Merville Fire Protection Area is estimated to be \$12,600 based upon converted Regional District administrative costs from the Black Creek/Oyster Bay Fire Protection LSA to provide contract management, financial administration and accounting services.

From the Regional District perspective, there is no significant additional cost to assume responsibility to oversee the Merville fire service. Administratively the new Regional District Service would slide into the existing CVRD Fire Services Department, becoming another Regional District service function within its operations.

The Comox Valley Regional District has established a standing committee that deals with governance decisions with regard to local area services within the electoral areas of the Comox Valley Regional District. This Electoral Area Services Committee (EASC) is comprised of the elected Directors from Electoral Area A, B and C. If Merville fire were converted to a Regional District local service area, all political governance decisions would be addressed by the EASC.

Alternatively, EASC could request the Regional District Board to appoint a representative from the former Merville Fire Protection District to act as a transition advisor to the EASC until the Merville fire service is fully transferred to the Regional District.

**RECOMMENDATION (Status Quo Option):** Due to the lack of general public interest in participating on the Merville Fire District Board of Trustees, and the increasing responsibility in managing fire services in BC, it is recommended that the Merville Fire Protection District resolve to convert to a fire service function of the Comox Valley Regional District.

In summary of the status quo option, in doing nothing there will be no change to FUS 'Unprotected' rating for both the Tsolum-Farnham and Merville fire service areas which will mean difficulty in justifying lower insurance premiums for property owners but will maintain established fire protection tax requisition.

There is an opportunity here for the Merville Fire District Board of Trustees to transfer their power of governance and administration to the Regional District Electoral Area Services Committee. That is if the Merville Board of Trustees feels they no longer want the governance and administrative responsibility. The overall cost to transfer authority appears reasonable, especially considering the direct access to experienced fire services staff, certified professional accountants and other administrative expertise. One advantage of the Regional District becoming responsible for the service is that fire protection can be maintained in the Merville region.

#### Merville and Tsolum-Farnham Auxiliary Fire Hall

In this option the Merville and Tsolum-Farnham fire service areas would contribute financially to establish a fire hall facility and equipment to supply the fire hall. This new fire hall would be operated by an existing fire department as an auxiliary fire hall to their current operations.

Merville and Tsolum-Farnham Auxiliary Fire Hall	
<u>Advantages</u>	<u>Disadvantages</u>
<ol style="list-style-type: none"><li>1. Tsolum-Farnham and Merville fire service areas will realize (at minimum) a 'Semi-Protected' rating for residential customers from the Fire Underwriters Survey. This could result in up to 60% savings in fire insurance premiums<sup>25</sup>;</li><li>2. Financially there will be less cost to setting up an auxiliary fire hall facility as compared to establishing an independent fire department because you are simply augmenting and enhancing an existing fire service as opposed to building a new one;</li></ol>	<ol style="list-style-type: none"><li>1. Operation and fire service delivery from the auxiliary fire hall would be under contract to either the ORFR or the CFD. Administrative responsibility for the contract in the Merville fire service area would be the current Merville Fire Protection District and the Regional District for the Tsolum-Farnham fire service area. Or there needs to be a service transfer of fire service responsibility</li></ol>

<sup>25</sup> The Insurance Industry is privately operated and is not obligated to recognize any changes in fire service or recognized changes accepted by the Fire Underwriters Survey. Insurance premium savings, if any, will be unique to each policy holder and their individual insurance history.

### Merville and Tsolum-Farnham Auxiliary Fire Hall

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>3. Fire Department members, training, training facilities, administration and expertise already exist;</li> <li>4. New volunteers from the Merville and Tsolum-Farnham regions are in addition to existing members, augmenting existing firefighter expertise;</li> <li>5. Auxiliary hall and auxiliary firefighting equipment augment (support) existing equipment;</li> <li>6. An additional auxiliary hall tanker to the ORFR fleet may enable opportunity for ORFR to attain Fire Underwriters Survey 'Tanker Shuttle Accreditation', recognizing ORFR's entire fire service area as if it had fire hydrants, elevating the minimum FUS rating to '3B(s) Protected'. Which directly relates to an additional 32% fire insurance savings throughout the Black Creek/Oyster Bay, Tsolum-Farnham and Merville fire service areas;</li> <li>7. The establishment of an auxiliary hall with additional fire response service in the Oyster Bay, Black Creek, Merville and Courtenay Highway 19A corridor provides eight kilometre fire protection coverage continuity along the length of the corridor. And for many businesses along the highway corridor, commercial rating for under 5 kilometre fire protection coverage.</li> </ol> | <ol style="list-style-type: none"> <li>2. If ORFR is contracted, their area of responsibility doubles in size increasing their call volume and work load;</li> <li>3. CFD is not likely interested in operating an auxiliary fire hall outside of their municipal jurisdiction. That said, CFD should be consulted in a redefining of the regions fire service delivery.</li> </ol> |
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This option comes with costs and multi-jurisdictional administrative coordination. The primary benefit here is the siting and establishment of an auxiliary fire hall facility that will provide 8 kilometre coverage for resident properties throughout the Merville and Tsolum-Farnham fire service areas. A facility operated by an established fire service department, providing better service coverage than is not currently available.

The two closest, established fire departments are the Oyster River Fire Rescue Department and the Courtenay Fire Department. Practically it makes sense to consider the ORFR as the closest rural fire service department. It would be beneficial to ORFR to recruit additional firefighters and additional fire apparatus which will allow for better overall fire service delivery. In addition there is potential benefit to the Black Creek-Oyster Bay taxpayer with increased manpower and equipment at no additional cost, as well as shared administrative and training costs. The largest benefit would be if the ORFR were to obtain FUS shuttle accreditation giving property owners in Back Creek-Oyster Bay area, currently receiving '3B Semi-protected' insurance rating, a '3B(s) Protected' rating which amounts to an addition 32% savings on fire insurance for no additional cost.

The CFD can also deliver the service through contract but it is questionable if CFD will be interested in operating an auxiliary fire service remotely located outside of their municipal service area. CFD, as the current contractor already realizes the taxpayer benefit to delivering a fire service outside of their municipal boundary.

Capital costs to provide an auxiliary fire hall facility, equipped ready to deliver fire service under the operational management of an established fire service, ORFR:

Land (1 acre)	\$250,000
Fire hall building	\$350,000
(Enhanced commercial shop package)	
Equipment:	
Fire Engine	\$400,000
Fire Tender	\$200,000
Firefighter gear	\$40,000
Miscellaneous equipment	\$50,000
Estimated Capital Investment	<u>\$1,290,000</u> <sup>26</sup>
Annual Debt Payment	\$85,348

Establishing an auxiliary fire hall facility will benefit property owners of both Merville and Tsolum-Farnham fire service areas. Proportionally the capital costs should be shared between the two fire service taxing areas and will also share in the operational contract cost to deliver the fire service. Budget calculations have been proportionally calculated using the regional land and improvement property assessments used for tax purposes producing a proportional fire service cost based on the Black Creek-Oyster Bay Fire service delivery costs (2016).

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<sup>26</sup> 20 year capital financing through the Municipal Finance Authority (MFA) at 3.08% requires an annual payment of \$85,348

Annual Fire Service Costs:	Merville Fire District	Tsolum-Farnham Fire LSA
Contracted fire service: -	\$285,730	\$ 39,930
Administration costs: -	\$ 13,677	\$ 7,840
Insurance: -	\$ 11,289	\$ 1,578
Capital debt payments: -	\$ 74,883	\$ 10,465
Asset Management Costs:-	\$ 30,007	\$ 4,193
Estimated tax requisition: -	\$415,586	\$ 64,006
Cost per \$1000 of assessment: -	\$.82/1000	\$.90/1000

To address governance of the two fire service areas in this auxiliary hall option, there are a number of considerations:

1. Are governance changes needed?
2. Who is best situated to provide stable and sustainable governance?
3. Upgrading the level of FUS fire protection ratings, is there any advantage in amalgamating fire service areas?

There is no need to change governance structure in the Tsolum-Farnham Fire Protection Local Service Area. The fire service is a function of the Comox Valley Regional District and gets its governance decisions from the Comox Valley Regional District Board of Directors on the advice of the Electoral Areas Services Standing Committee (EASC), which includes Electoral Area C Director as a member. Management and administrative services are addressed by the CVRD, Fire Services Department that manages the service and the contracts associated with the Tsolum-Farnham Fire Protection LSA. The Regional District currently contracts the delivery of Tsolum-Farnham fire service to CFD and the regional district can terminate this contract by giving 12 month written notice in favor of a new contract for an auxiliary hall operation with either the CFD or the ORFR. In establishing and developing a new auxiliary fire hall, it is simply a matter of directing the funds accordingly. It is not anticipated that the proposed auxiliary hall will be located in the Tsolum-Farnham fire service area, so agreements and contracts will have to be negotiated through the Regional District on behalf of the Tsolum-Farnham Fire Protection Local Service Area with the contracted fire department and the Merville Fire District in relation to delivery of service and shared costs.

The proposed tax requisition just fits under the service establishment bylaw current 2016 maximum tax requisition limit. At the moment this does not present an issue but it is something to consider if this auxiliary hall option were to proceed.

In relation to the Merville Fire Protection District, if the auxiliary hall option is contemplated, it is recommended that the Merville Fire Protection District dis-incorporate (Improvement District 'conversion') in favour of a Fire Protection Local Service Area function of the Regional District. The primary reason is the immediate workload associated with administering and overseeing the construction and outfitting an auxiliary fire hall facility, the establishment of new fire service agreements and the cancelation of existing fire service agreements. This will require a significant amount of management and coordination on behalf of the Merville Fire District Board of Trustees. It is likely, significant assistance from the Regional District will be required to help support the changes at an additional cost to the Merville Fire District. The Regional District has the expertise and support resources available to manage the fire service model delivery change so it makes sense to keep the Merville fire taxing area as a defined area but to transfer administration and governance to the Comox Valley Regional District.

Merville fire service area is situated with properties located in both Electoral Area B, to the south and Electoral Area C, to the North. Governance decisions would be voted on by the existing Electoral Areas Services Committee.

Alternatively, EASC could request the Regional District Board to appoint a representative from the former Merville Fire Protection District to assist with continuity in transition and moving the fire service forward through change.

**RECOMMENDATION (Auxiliary Hall Option):** That to facilitate the establishment of an auxiliary fire hall facility that the Tsolum-Farnham Fire Protection Local Service Area remain as it is and that the Merville Fire District dis-incorporate in favour of a Fire Protection Local Service Area function of the Regional District.

**RECOMMENDATION (Auxiliary Hall Option):** That the Comox Valley Regional District Board consider appointing a representative from the former Merville Fire Protection District to act as a transition advisor to the EASC until the Merville fire service is fully transferred to the Regional District.

Another consideration for a service delivery model with an auxiliary hall is if the three fire service jurisdictions amalgamated into one tax group being the combined Black Creek/Oyster Bay Fire Protection Local Service Area, Merville Fire Protection District and the Tsolum-Farnham Fire Protection Local Service Area. In looking at the current estimated costs including operating and capital debt, Merville would be paying \$.82/1000 of taxable assessment and Tsolum-Farnham would be paying \$.90/1000 of taxable assessment. Currently Black Creek/Oyster Bay Fire Service is paying \$.81/1000 of taxable assessment. If the three jurisdictions pooled their resources as one taxing area the cost of service would be \$.82/1000 of taxable assessment.

Black Creek/Oyster Bay is just beginning to make payment on new debt associated with new fire apparatus. New debt will be incurred by Merville and Tsolum-Farnham in providing the infrastructure and equipment for new auxiliary fire hall. Cost are going to change for all three

jurisdictions in the future as a modified fire service develops and the public is going to question who is paying for what part of an enlarged fire service area.

Black Creek/Oyster Bay Fire Service is paying \$.81/1000 of taxable assessment for Fire Protection Service	Tsolum-Farnham would be paying \$.90/1000 of taxable assessment for Fire Protection Service	Merville would be paying \$.82/1000 of taxable assessment for Fire Protection Service	If the three jurisdictions pooled their resources as one taxing area the cost of fire service would be \$.82/1000
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The other unique factor here is the Black Creek/Oyster Bay fire service area is situated across Regional District boundaries with the northern portion of the area in Electoral Area D of the Strathcona Regional District (SRD) and the southern portion in Electoral Area C of the Comox Valley Regional District. This means governance decisions are made with decision making authority from SRD Electoral Area Director D and CVRD Electoral Area Director C participants. If both Tsolum-Farnham and Merville areas were to join Black Creek/Oyster Bay, governance decisions would also include CVRD Electoral Area Director B which significantly expands the CVRD side of the service area.

**RECOMMENDATION (Auxiliary Hall Option):** That the three taxing jurisdictions remain separate taxing service areas until such time as each area has paid for their share of capital improvements.

It was also considered to combine the Tsolum-Farnham and Merville Fire Protection taxing jurisdictions. Other than administrative convenience there is no advantage or disadvantage, financially or otherwise to combining the two jurisdictions. It could be considered at the time of Merville Fire District reverting to a local service area, to combining the boundaries with the Tsolum-Farnham area as both jurisdictions benefit from the new auxiliary hall. The decision to combine jurisdictions would be administrative/political convenience.

In summary of the auxiliary fire hall option, the best course of action is to start discussions with the ORFR and CFD to acquire agreement on how best to move forward and which department would be interested in providing contracted fire service using a Merville auxiliary fire hall as part of their fire service delivery model. This phase would need 4 to 6 months. Next identify land (site location), facilities and equipment to establish the auxiliary fire hall facility. This phase could take 1.5 - 2 years to complete procurement and construction. In the meantime the preferred contract Fire Department can be recruiting to augment their manpower resources and training in anticipation of broader fire service delivery.

Simultaneously a decision needs to be made by the Merville Fire District Board of Trustees as to whether they want to continue to administer the enhanced auxiliary hall fire service through new contracts or defer the administration of the Merville Fire District to a new Fire Protection LSA administered by the Regional District. At the request of the Merville Fire Protection District

Board of Trustees to begin conversion, the Province and the CVRD could complete the task in 4 - 6 months. When considering a conversion date to transfer the Merville fire service responsibilities it would be preferred to use a January 1<sup>st</sup> conversion date, but if that is not feasible, consideration in picking a transfer date should be given to Regional District budget and tax requisition deadlines and tax notice distribution dates. There is some flexibility here as there is only one significant annual expense – fire service contract, and one revenue input, Ministry of Finance property tax transfer payment along with relatively few assets to transfer.

### Merville Fire Protection District Establishes a New Independent Fire Department

In this option the Merville Fire Protection District establishes a new independent fire department that includes the construction of a fire hall complete with training facilities, firefighting apparatus and equipment meeting NFPA standards, recruitment of new firefighter volunteers to staff the department (minimum 15) and a designate fire chief to lead volunteers.

This option, establishing a standalone fire department, is not available to the Tsolum-Farnham Fire Protection LSA as there is not enough tax assessment to realistically recommend that the area could afford establishing a new standalone fire service. As well, the area's fire stats do not support the establishment of a standalone department based upon the average 3 to 4 fire calls per year.

Tsolum-Farnham could realize a fire insurance savings through FUS 'Semi-Protected' ratings by contracting out the provision of fire service to the newly established Merville Fire Department. There is an assumption here that Merville would locate their new fire hall facility in a location that would provide coverage within the eight kilometre limit to the Tsolum-Farnham area.

Alternatively, and with a governance change, the Tsolum-Farnham and Merville fire service areas could be combined to establish one fire protection local service area. The benefit here is the combined tax assessment and cooperative siting of facilities would be an advantage to all property owners of the area. This would require the Merville Fire Protection District to become a local area service of the Comox Valley Regional District.

Merville Fire Protection District Establishes a New Independent Fire Department	
<u>Advantages</u>	<u>Disadvantages</u>
1. Merville and potentially Tsolum-Farnham fire service areas will realize a base level 'Semi-Protected' rating from the Fire Underwriters Survey for residential customers (potential 60%	1. There will be a significant financial cost and administrative oversight to establishing and setting up a standalone fire department meeting today's 'Play Book' and NFPA guidelines and standards (estimated \$1.13/1000 assessment); 2. Simply based on a higher standard of responsibility there will be a higher

Merville Fire Protection District Establishes a New Independent Fire Department	
reduction in fire insurance premiums <sup>27</sup> ;	annual operating cost borne primarily by the Merville fire service area.
2. The Merville Fire Protection District would have administrative control over the newly created fire department;	There could be some revenue realized from the Tsolum-Farnham area if under contract;
3. The establishment of a new fire service in the Oyster Bay, Black Creek, Merville and Courtenay, Highway 19A corridor provides eight kilometre fire protection coverage continuity along the length of the corridor.	3. Merville Fire Protection District administrative time and energy (or cost) to setup, administer and oversee the new fire service will be significant;
	4. Without additional investment over and above the basic fire department service the best FUS rating to be realized is 'semi-protected'.

To establish a new fire service there will need to be the creation of a fire department with leadership and volunteer recruitment, training, equipment and facility purchases.

Estimated capital costs to establish a base level fire service:

Land (1 acre)	\$250,000
Fire hall building	\$1,550,000
Equipment:	
Fire Engine	\$400,000
Fire Tender	\$200,000
Command Vehicle	\$50,000
Firefighter gear	\$40,000
Miscellaneous equipment	\$50,000
Estimated Capital Investment	<b>\$2,540,000<sup>28</sup></b>
Annual Debt Payment	\$165,241

<sup>27</sup> The Insurance Industry is privately operated and is not obligated to recognize any changes in fire service or recognized changes accepted by the Fire Underwriters Survey. Insurance premium savings, if any, will be unique to each policy holder and their individual insurance history.

<sup>28</sup> 20 year capital financing through the Municipal Finance Authority (MFA) at 3.08% requires an annual payment of \$165,241

Annual operating costs for a new fire service:

<b>Annual Fire Service Costs:</b>	<b>Merville Fire District</b>	<b>Tsolum-Farnham Fire Protection LSA Contract</b>	<b>Combined Merville/Tsolum-Farnham Fire Protection LSA</b>
Contracted fire service: -	-	\$46,664	
Fire Service Operations:-	\$355,000	-	\$400,000
Administration costs: -	\$ 13,677	\$ 8,186	\$ 21,863
Insurance: -	\$ 11,289	\$ 1,578	\$ 12,867
Capital debt payments: -	\$144,980	\$20,261	\$165,241
Asset Management Cost: -	\$ 47,379	\$ 6,621	\$ 54,000
Estimated tax requisition:-	<b>\$572,326</b>	<b>\$83,309</b>	<b>\$653,971</b>
Cost per \$1000 of assessment: -	\$1.13/1000	\$1.17/1000	\$1.13/1000

There is no immediate need to change governance structure in the Tsolum-Farnham Fire Protection Local Service Area. The fire service is a function of the Comox Valley Regional District, who has a Fire Services Department that manages the service and the contracts associated with the Tsolum-Farnham Fire Protection Local Service Area. The Regional District can contract the Tsolum-Farnham fire protection service to a newly created Merville Fire Department just as they currently do to CFD.

The one governance issue here is that the estimated cost for the Tsolum-Farnham Fire Protection LSA is about \$20,000 over the maximum requisition amount allowed by the current service establishment bylaw. If this new independent fire hall option were considered, a new requisition limit would have to also have to be considered and approved in order to meet budget costs.

In relation to the Merville Fire Protection District, if the new independent fire service option is contemplated, it is recommended that the Merville Fire Protection District dis-incorporate (Improvement District 'conversion) in favour of a local service area function of the Regional District. The primary reason is the immediate workload associated with establishing a new fire service. The work will require a significant amount of management and coordination on behalf of the Merville Fire District Board of Trustees. More than likely significant assistance from the Regional District will be required to help support the fire service establishment because the RD has the expertise and support resources available. In creating a standalone fire service in the region, it does not make sense to keep the Merville Fire District but to convert administration

and governance to the Comox Valley Regional District. A conversion at this point in time would also facilitate future service boundary amendments as may be required in the future.

**RECOMMENDATION (Independent FD Option):** That to facilitate the establishment of new independent fire service that the Tsolum-Farnham Fire Protection Local Service Area amalgamate with a Merville Fire District LSA in favour of a combined into one Fire Protection Local Service Area function of the Regional District.

In looking at the estimated costs including operating and capital debt to create a new independent fire service, a combined Tsolum-Farnham and Merville LSA would be paying equally \$1.13/1000 of taxable assessment as one service delivery area. Individually, if Merville Fire District were to establish their own fire service it would cost the Merville taxpayer \$1.27/1000 of taxable assessment. If Merville Fire District were to established their own fire service and contract fire service to the Tsolum-Farnham Fire Protection LSA it would cost the Merville taxpayer \$1.13/1000 of taxable assessment and cost the Tsolum-Farnham Tax payer \$1.17/1000 of taxable assessment. There is a significant administrative advantage for the Tsolum-Farnham Fire Protection LSA to amalgamate with the Merville jurisdiction to create one service area if establishing a new fire service. The cost to the resident taxpayer are the same.

Combined Tsolum-Farnham – Merville Fire Service pays <u>\$1.13/1000</u> of taxable assessment for a new independent Fire Protection Service	Merville independent Fire Protection Service will cost <u>\$1.27/1000</u> of taxable assessment for a new independent Fire Protection Service	Merville independent Fire Protection Service, contracting service to Tsolum-Farnham, costing Merville <u>\$1.13/1000</u> of taxable assessment; and	Tsolum-Farnham's contract to Merville for fire service would cost Tsolum-Farnham <u>\$1.17/1000</u> of taxable assessment to receive fire service.
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Whether a combined fire service taxing jurisdiction or separate taxing jurisdictions governance decisions would still be made by the CVRD's Electoral Area Services Committee.

In summary of the new independent fire department option, the most effective and efficient course of action would be to amalgamate the Tsolum-Farnham Fire Protection LSA and the Merville Fire District into one combined Tsolum-Farnham-Merville Fire Protection LSA providing a stable tax base to establish a Tsolum-Farnham-Merville Fire Department.

It is estimated that it will take 2-3 years to make the necessary legislative changes, acquire land, build a fire hall facility, recruit, hire and train the personnel required to staff a new volunteer fire department. This would be a significant undertaking with moderate benefit to fire service delivery in the end.

## Conclusions

The Tsolum-Farnham and Merville fire protection areas are currently served by the CFD. All properties in these fire protection areas are beyond the eight kilometre road network from the CFD fire hall and thus are considered as 'un-protected' by the FUS. The current stated position of the FUS is that any residential property may be considered as protected for the purposes of fire insurance if it is within eight road distance kilometres of a fire hall. Without the establishment of a new fire hall it is not possible to meet their requirement in either the Tsolum-Farnham or the Merville fire protection areas.

One or more property owners in these areas have requested a change of service provider from the CFD to the ORFR with an assumption that by being closer to a fire hall they will achieve protected status in terms of their fire insurance.

To achieve protected status in terms of the FUS there will need to be an additional fire hall and/or fire service in the Tsolum-Farnham and Merville fire protection area. Using a road network analysis, it can be shown that the area in question would be covered by one additional fire hall in this area. A fire hall in Merville at or near Sackville Road and Highway 19A would provide optimal coverage for this area and would also provide some overlap coverage for the Courtenay fire protection area to the south and to Oyster River to the north.

Provision of a fire service in this area could be provided by the establishment of a new, standalone fire department or by having an auxiliary fire hall operated by either the CFD or the ORFR. The option with the greatest regional and cost effective benefit is to establish an auxiliary fire hall operated under contract by a currently established fire service. The estimated cost increase for an enhanced fire protection service in the Tsolum-Farnham area would go from \$51,822 to \$64,006 (\$.71/1000 to \$.90/1000 of taxable assessment) representing a 24% increase and Merville region would go from \$215,839 to \$415,586 (\$.43/1000 to \$.82/1000 of taxable assessment) representing 92% taxpayer increase for the cost of fire protection that would qualify to provide FUS 'semi-protected' fire insurance rating. Property owner must also realize that there could be an immediate potential to reduce fire insurance premiums by 60% and potentially another 32% reduction with a fire department providing water shuttle accreditation which would more than offset the increased cost of the enhanced service. This potential shuttle accreditation savings could also be realized in those portions of the Black Creek/Oyster Bay Fire Protection LSA not covered by hydrants, if it were the ORFR providing the fire service.

Governance wise, the Tsolum-Farnham Fire Protection LSA is fine the way it is and will continue to contract for fire service no matter what option is considered.

The Merville Fire District Board of Trustees has the full governance authority to decide to enhance their fire service or leave it as it is. With a decision to move forward with a new enhanced fire service model as suggested with the establishment of an auxiliary fire hall and

service contract, there will be significant amount of work and responsibility by the Board of Trustees. The Regional District is already set up and experienced with delivering various fire service models, it would be an easy transition to convert the administrative governance responsibility to the Comox Valley Regional District. At the discretion of the Board and at the request of the Electoral Area Services Committee, the Regional District can appoint a representative from the former Merville Fire Protection District to act as a transition advisor to the EASC until the Merville fire service is fully transferred to the Regional District.

While there have been some jurisdictional amalgamations discussed, with the auxiliary fire hall option proposed, there is no distinct financial advantages to combining jurisdictions at this time only administrative convenience.

#### REPORT RECOMMENDATIONS:

- 1) Merville Fire Protection District apply to the Minister to convert into a Merville Fire Protection Local Service Area, a service function of the Comox Valley Regional District.
- 2) The Regional District plan to develop an auxiliary fire hall facility in the Merville region, co-funded by the LSA of Merville and Tsolum-Farnham and operated by the ORFR as part of their fire response jurisdiction.

## Preferred Option Recommendations

### **Preferred Option = Merville and Tsolum-Farnham Auxiliary Fire Hall**

RECOMMENDATION: Merville Fire Protection District apply to the Minister to convert into a Merville Fire Protection Local Service Area, a service function of the Comox Valley Regional District.

RECOMMENDATION: The Regional District plan to develop an auxiliary fire hall facility in the Merville region, co-funded by the LSA of Merville and Tsolum-Farnham and operated by the ORFR as part of their fire response jurisdiction.

RECOMMENDATION: That the Comox Valley Regional District Board consider appointing a representative from the former Merville Fire Protection District to act as a transition advisor to the EASC until the Merville fire service is fully transferred to the Regional District.

RECOMMENDATION: That the three taxing jurisdictions (Black Creek/Oyster Bay, Tsolum-Farnham and Merville) remain separate taxing service areas until such time as each area has paid for their share of capital improvements.

Annual Fire Service Costs:	Merville Fire District	Tsolum-Farnham Fire LSA
Contracted fire service: -	\$285,730	\$39,930
Administration costs: -	\$ 13,677	\$ 7,840
Insurance: -	\$ 11,289	\$ 1,578
Capital debt payments: -	\$ 74,883	\$ 10,465
Asset Management Cost:-	\$ 30,007	\$ 4,193
Estimated tax requisition: -	<b>\$415,586</b>	<b>\$64,006</b>
Cost per \$1000 of assessment: -	\$.82/1000	\$.90/1000

## Draft Report Public Presentation/Consultation

October 3<sup>rd</sup> the consultants presented the Final Draft Report to elected official and staff at special Electoral Area Services Committee meeting and then later in the day made the same presentation at the Merville Community Hall to residence of the Merville and Tsolum-Farnham fire service areas.

The Electoral Area Service Committee was attended by Director Grieves (Puntledge-Black Creek-Electoral Area 'C', Director Nichol (Lazo North Electoral Area 'B', Director Jolliffe (Baynes

Sound-Denman/Hornby Islands- Electoral Area 'A') and Black Creek–Oyster Bay Services Committee Chair Director Leigh (Oyster Bay-Buttle Lake-SRD-Electoral Area 'D') as well as CVRD staff and audience members from the Courtenay Fire Department and the Oyster River Fire Rescue Department. Following questions and answers it was agreed that the report needed to be presented to the residence of Tsolum-Farnham and Merville as well as the Province. It was also understood that the Merville Fire District Board of Trustees needed to make the fundamental first decision whether or not to request 'conversion' to a fire service function of the RD. Once that decision has been made and acted upon there may or may not be a role for the Comox Valley Regional District to participate in.

The CVRD hosted a web site where they posted the draft report and as well sent out by mail invitations to all residents of Merville and Tsolum-Farnham fire region to attend a public meeting held at the Merville Community Hall, 6:00 p.m. Monday October 3<sup>rd</sup>, 2016. With, elected officials, Merville Fire District Trustee, CVRD staff and consultants there were just over 100 people in the hall. The presentation was conducted as an interactive PowerPoint presentation overview of the report findings and extensive question and answer dialog. The two hour session concluded with a request for residence to provide feedback to the CVRD on what residence want to see. Questions and concerns raised in discussion included concerns over aging population and the need to attract new volunteer firefighters; Time it would take to get a new fire hall build and operational; Lack of administrative/political interest in the Merville Fire District Board of Trustees and; Operational management of a contracted fire service delivery model. There were also some questions/topics not directly related to the study including access to Emergency Medical Aid First Responder service; Fire service area boundary adjustments; Interface fire education and awareness; Personnel home protection and fire preparedness (extinguishers) and; why it had taken so many years to get to this point. In the end there was no publicly stated opposition to the Fire Service Review Report recommendations.

## Public Comments to Draft Report

The following is a summary of comments, preferences and concerns expressed in writing through the questionnaire. 53 submission have been received within the first week.

- To establish a fire hall in Merville?
  - In favor = 37
  - No stated opinion = 16
  - Against = 0
- Fire Department affiliation
  - Oyster River = 10
  - Courtenay = 5
  - No station opinion = 38
- FMR mentioned as a positive = 9

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
1	Merville Fire Protection District should not be able to make decisions with only one trustee.	No stated opinion	No stated opinion		Should not be decided by just one trustee
2	Costs in presentation, in my opinion were way too low. E.g. \$40,000 for equipment only buys four sets of turnout gear – what are the other 11 volunteers going to use?	No stated opinion	No stated opinion	Concern estimates are too low	
3	The presenter should not have unequivocally stated insurance costs would to gown by 60% - how can he say that?	No stated opinion	No stated opinion	Insurance savings may be over estimated	
4	Shuttle accreditation is not easy to get.	No stated opinion	No stated opinion	Shuttle accreditation is a challenge	
5	With the new “Playbook” training requirements, training costs alone would be very high.	No stated opinion	No stated opinion	Training costs will be high	
6	Our business is in full support of a new fire hall in Merville. I understand that our fire insurance rate may not change due to the fact that we are beyond the five kilometer distance from a fire hall for a commercial business. The benefit would be vastly improved fire response and possibly first responder service.	Yes	No stated opinion	FMR is desirable	
7	We are in full support of a new fire hall.	Yes	No stated opinion		
8	Please go ahead with a Merville fire hall.	Yes	No stated opinion		
9	I support the recommendations of the study and want an auxiliary hall build in Merville.	Yes	No stated opinion		
10	Have an auxiliary and have Oyster River as first responders. We have experienced a fire on our property and at the time we had two trucks from Courtenay arrive, one filled at Tsolum, the other was filled by Oyster River department. It took nearly 40 min for them to respond and arrive. Having the auxiliary here in Merville will not only save money but will save time. The areas are only growing and in the next 20 years the population only increasing.	Yes	Oyster River		
11	An auxiliary fire department may work if volunteered properly. The response time would have to be faster than Courtenay / Oyster River departments in order to make the costs	Yes	No stated opinion		

#	Comment	Merville Hall?	Dept. ?	Concerns	Governance
	worthwhile. I agree that the decreased insurance costs us increased taxes could equate into an auxiliary department. That is viable. Let the study continue.				
12	Excellent report. Saw the problems and gave excellent information and options.	No stated opinion	No stated opinion		
13	I strongly agree with the recommendation that the Merville Fire Protection District change to an LSA within the Regional District, benefitting from their experience and programs in place.	No stated opinion	No stated opinion		Merville should convert to an LSA
14	I feel an auxiliary fire hall would be an excellent compromise giving us the fire protection we need but at an affordable cost and under the structure of an existing fire department.	Yes	No stated opinion	Costs	
15	Get started right away to set up with Oyster River fire department.	Yes	Oyster River		
16	Get an auxiliary fire department ASAP. I think this is a great idea.	Yes	No stated opinion		
17	Let's get it going.	Yes	No stated opinion		
18	I fully support a fire hall in Merville. I think the best option would be to have a satellite hall to Oyster River fire department. They are more rural than Courtenay and have first responder capacity.	Yes	Oyster River	FMR is desirable	
19	We are long overdue for a Merville fire hall.	Yes	No stated opinion		
20	I attended the meeting. I am really disappointed how few younger people showed up. I would really like to see a fire hall built in Merville. And I suggested the strip of land along the highway in front of where the RV center has their fenced lot on the north side of Sackville rd. That property still belongs to the district. I'm sure it would be big enough to accommodate a small fire hall plus parking. And is central to all 4 corners where we would probably need a traffic light installed and that would be good to. That land was supposed to be used for widening the highway but since we have the new inland highway it may never be used for that purpose. The RV center is using	Yes	No stated opinion		

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	the land for employees and customer to park since they moved there. After my husband passed away. I offered the owner of the RV center the opportunity to buy my land but he declined saying he has no plans on expanding. Since then I made up my mind to stay here as long as I am able to mow the grass. This has been my home for going on 35 yrs. and I love it here. Unless an offer came up to make it worth my while to pay off the mortgage and relocate I'm staying and i have no problem with a fire hall being next door. However, as owner of the neighbouring land, if that parcel of land is used for a fire hall. Along the fence is a black electric wire attached to the fence for my dog's electric collar so he won't leave the property. Please advise me if any clearing of trees or brush is going to be done there and i will turn the fence off while workers were there I would not want to see someone electrocuted. The black coated wire can be touched without causing a shock but if it was cut or broken by accident then there could be a big problem to someone. Inside the coating is 120 volt wire...				
21	Thank you for the very informative presentation at the Merville Hall last evening. As the property owner of 7392, 7470 and 7496 Howard Rd., I strongly support the auxiliary fire hall proposal. I also feel strongly that joining under the Oyster River Fire Department would be the better fit. They do have 1st Responder capabilities. They would have similar governance issues. We would be under the Regional District umbrella as they are.	Yes	Oyster River	FMR is desirable	
22	Just a note to say the meeting was very informative and well done. Thanks for the letter informing us of the meeting. If it hadn't been for the letter we would not have known about it. It was the first we heard that people were wanting better fire protection.	No stated opinion	No stated opinion		
23	Yes to auxiliary fire hall.	Yes	No stated opinion		
24	Yes to joining Oyster River fire dept. {with} first responder.	Yes	Oyster River	FMR is desirable	

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
25	<p>First, we appreciate that the RD has taken this project on. I am in favour of a satellite hall in Merville. I can't see how the timeline of 12-24 months is realistic. The actual building of a hall will take probably that period, let alone the due process that will have to be followed or the recruitment and training of a crew. I would guess at 3-4 years being more realistic. If I were to be proved wrong, I would be delighted. We originally petitioned for boundary changes 5 years ago and heard that blocks were put in place at meetings to sway the process to where it is now. I am not confident that the Merville committee can reach a swift decision and would therefore support the RD taking over with an area representative. I do insist we have first responder response. BC ambulance is just too far away and I can foresee an incident where a first responder is required, particularly with our ageing population in the area. I have already given examples of how my family required this service and there was another resident who came forward with the same issue. I'm sure there are and possibly will be, several more. The associates stated that these responses cost extra. I don't think this is the case, as fire departments budget for all their services (including traffic accidents, natural disasters and other non-fire related emergencies - which again was not mentioned). They insinuated that Courtenay did not provide such a response due to cost - not so, they do provide first responders but being collocated in town with BCAS it would not be practical out here. In fact, BC policy is that for a full service department (as Courtenay and Oyster River are) it is mandatory for their members to be trained to full level 2 firefighter standard (including first responder). Regarding insurance, the interim period before decisions are made and action taken is going to be extremely difficult for us and I'm sure for our neighbours. We are currently paying huge premiums for insurance and if the insurance industry keeps increasing the premiums at the rate of the last few years, insurance will very soon become prohibitive. This will leave many residents uninsured with the potential of</p>	Yes	No stated opinion	<p>Timeline too ambitious</p> <p>FMR is desirable</p>	<p>Merville committee should not make the decision; should become an RD function</p>

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	homeless families being created. I am extremely concerned that the report has not taken into consideration local insurance companies that operate at a different boundary than the one continually highlighted in the report. In my case alone coverage from Oyster River will make a huge difference in our annual budget. I was really disappointed that the report writers continually refuted any consideration of local insurance boundaries, reference to the industry website 8km dominating the report. I suspect that when the report is made public, the local insurance companies will review their 13/15 km allowance for a degree of protection such that should the satellite hall fail to materialize boundary changes would not make a difference as they would now. Additionally I suspect that the Ministry reading the report will be swayed by the continual reference to the 8km standard and disregard of local insurance companies and will not even consider boundary changes. This could prove disastrous particularly if the satellite hall option is not accepted. I would like to see more reference made to local insurance and their recognized limits.				
26	Thank you for a well presented report concerning Merville's fire protection. As residents of almost 40 years, we support the Merville fire protection board to apply to have an auxiliary department of the Oyster River Fire Dept. in Merville. We understand a core of 15 volunteers will be required for this hall to function & believe this will be possible. As a result most residents will see lower insurance premiums on their fire insurance & we will benefit by a faster response time that should result on less injury & damages	Yes	Oyster River		
27	Thank you and the other presenters for holding a public meeting of the Merville Fire Protection District fire services review last night. It was a good summary of the report and the key issues that need decisions. My wife and I, the owners of a house in the Merville Fire Protection District, agree that the fire services in the district need to be improved. While we	Yes	No stated opinion		

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	appreciate the possibility of lower costs for insuring our property may be an outcome, our main concern is with improving fire services response time.				
28	We support: - the option of having an Auxiliary Fire Station in Merville, and prefer the option of associating it with the Oyster River Fire Rescue Department. - the recommendation that the Merville Fire District dis-incorporate in favour of a Fire Protection Local Service Area function of the Regional District, and - appointing a representative from the Merville Fire Protection District on a transitional basis.	Yes	Oyster River		Convert Merville to an LSA
29	We <u>do not</u> support the idea of putting these decisions to a public referendum. We are confident that our elected representatives and officials of the crvd will make the most appropriate decisions.	No stated opinion	No stated opinion		No need for a referendum; elected officials can make the decision
30	Merville fire district should be dissolved and be taken over by the RD like Tsolum.	No stated opinion	No stated opinion		Merville should be folded into the RD
31	The proposed plan must include the accredited tanker service and additional water storage facilities to meet that accreditation. Current fire equipment (Pumper truck) can offload their water in a matter of minutes. There should be additional work done to ensure that we have adequate storage to support the requirement for an approved tanker service for all areas of the Merville/Tsolum district. The costing to attain this any added tanker trucks needs to be included	No stated opinion	No stated opinion	Tanker shuttle accreditation should be established	
32	It is not clear from the meeting how cost can be controlled when you are contracting out (Aux Station Option). With Courtenay who currently provides service to my area. You are at the mercy of Courtenay Council when it comes to negotiating the cost of service ongoing basis. In the past the relationship between Courtenay and RD has been tested and frankly I do not trust the City of Courtenay regarding the interest's rural property owners. Why would they? Secondly, I can see that priority would be placed on City of Courtenay which I agree with as they are the large population area. This could extend to training	No stated opinion	Not clearly stated	Concern about Courtenay's costs	

#	Comment	Merville Hall?	Dept. ?	Concerns	Governance
	and other areas as they are an urban area and firefighting methods are different versus rural.				
33	With the ORFD (Aux Option) is this part of the CVRD and the RD owns the equipment buildings and property? Would the RD have any more influence in cost containment?	No stated opinion	No stated opinion	Cost containment	
34	Why was Comox not considered? They can respond to fires in our area much better than Courtenay. At least they know the fastest route to get here (Seal Bay Area)	No stated opinion	No stated opinion	Comox should have also been a consideration	
35	The report and conversation at the meeting seemed to assume that OR and/or Courtenay would go along with this at the current rates. Is this the case and are there assurances that when we down the road a bit the cost does not balloon. After 30 yrs. of managing very large technology projects I can cite many instances of low ball estimates because one or more parties wants to do this for a myriad of reasons. When the project is approved and real estimates come in for equipment, real estate and infrastructure the cost doubles or more (no shortage of examples in the public and private sector). So needless to say I skeptical of the cost estimates. The bottom line is that as a taxpayer I do not want my costs to increase period. I do however want better protection and am willing to pay for that but do want to see realistic costs put forth so that we can weigh that against insurance savings.	Yes	No stated opinion	Concern about costs	
36	Last but not least in the full report it mentions service could be extended to parts of Bates Road. This put a flag up for me> My address is 5644 Seacliff Road. Are we covered the map is sketchy and not clear and with the text it begs the question.	No stated opinion	No stated opinion		
37	In response to the meeting held last night in the Merville Hall, my wife and I agree with the recommendations of the study group.	Yes	No stated opinion		
38	We are part of the Merville protection area, and would be agreeable to having our rate raised to garner better fire protection. Hopefully, enough interest will be shown by the residents of the two areas included in the study to have this project proceed. Thank you for all your work in this regard.	Yes	No stated opinion		

#	Comment	Merville Hall?	Dept. ?	Concerns	Governance
39	We say YES to an auxiliary fire hall and YES to joining Oyster River fire dept. with first responder.	Yes	Oyster River	FMR is desirable	
40	I feel that if there is going to be a change in the Merville fire protection then the satellite station would be my preference.	Yes	No stated opinion		
41	I disagree with contracting the Oyster Bay Fire Department and would much prefer aligning with the Courtenay Fire Department. Courtenay offers greater volume of assets and expertise and also has a larger full time crew. As back up Courtenay has a 50 man volunteer base to draw on which I would assume is significantly greater than Oyster Bay. Courtenay is also closer to the majority of the Merville population and the course of the Tsolum/Farnham area. I also feel that Courtenay will be expanding their site on Veterans Way in the not too distant future when considering growth, bridges and traffic congestion.	Yes	Courtenay		
42	Thanks for the presentation on Monday at the Merville Hall. We believe the Auxiliary Hall is the right option. It is clearly not just a financial trade-off between fire protection costs and insurance costs, as many attendees were expressing. Insurance savings would be a desirable side benefit, but improved fire protection is clearly the most important factor in this proposal.	Yes	No stated opinion		
43	If there is an option with regard to which Fire Hall the auxiliary hall would be attached to, it would be beneficial to have the first responder option with Oyster River.	Yes	Oyster River	FMR is desirable	
44	I would like to communicate my views regarding the meeting about the upcoming fire hall in Merville. After hearing the options available to us, I would choose an auxiliary hall and wish to have it governed by the Courtenay Fire Hall.	Yes	Courtenay		
45	It was an excellent presentation, the issues were identified and reasonable options were offered. Perhaps the cost effectiveness could have been demonstrated by providing a hypothetical example for the benefit of some of the audience. It would have clarified the overall net financial savings by showing a greater	No stated opinion	No stated opinion	More clarity on costs and cost savings	

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	savings in a 60% reduction in house insurance and a minor increase in taxes.				
46	We are very supportive of a new auxiliary fire hall with a good response time. Safety and protection are of course foremost and fire is a worry, living close to Seal Bay park, especially with dry summers. We would also be very pleased to pay less insurance (we pay as much as we did in Victoria for a more expensive home).	Yes	No stated opinion		
47	<p>My husband and I are in agreement with the consultant's findings that we would be suited best with an auxiliary fire department, but we are not in agreement with their recommendation of the main fire station being Oyster River Fire Department.</p> <p>We really think it would make better sense to align with the Courtenay Fire Department. Why would we choose a smaller department that most likely doesn't have as much "talent" to draw from for mentoring, education and training, and that does not have the assets of a larger department?</p> <p>There has been talk, and I think that it will come to fruition in the future, of an auxiliary hall on the east side of Courtenay, somewhere on Veterans Parkway or Lerwick I think. This would be a great place for fulfilling the shuttle aspect for us in the future. (probably closer too) Unless there is some other reason for favouring ORFD that the report does not tell us about, we hope that the voting body will choose for Merville to have an auxiliary fire hall run by the Courtenay Fire Department.</p>	Yes	Courtenay		
48	In response to a request for comments about the initiative, I am very supportive of the plans to improve fire protection in this area. I would like to volunteer but my flexibility is limited until a home situation changes (elderly parent), and possibly at 66 may not be an ideal candidate as a fire person. However, if there is equivalent value in volunteering in some other way, I would be pleased to do so. I earned certification as a Project Manager (and am still working in that capacity on a part-time basis)	Yes	No stated opinion		

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	and can assist with logistics, planning, implementation, etc. Thank you for addressing this issue which has been one that concerns me greatly.				
49	Firstly, I would like to commend you on the excellent draft report which read thoroughly on the website provided in your letter, before attending the meeting. The meeting was very well conducted and outlined all of the recommendations of the study plus there were plenty of points brought up during the Q&A. My wife and I personally fully endorse the recommendations in the draft report, as follows: 1: Lets go for the Aux station in Merville as discussed; 2: Lets use the Oyster River Fire department to manage the logistics rather than the Courtenay Fire Dept; 3: The main reason I suggest the Oyster River Fire Dept. is because of their added capability for First Responder service whereas Courtenay relies on the Hospital or Town Ambulance services etc; 4. Also lets ensure we have the Water shuttle capability at the Aux station; Overall it was a good meeting with lots of useful information provided. The speakers were very professional and did a good job	Yes	Oyster River	FMR is desirable	
50	I am writing regarding the pending decision to change the Merville fire protection. I would support a satellite fire station managed by the Courtenay fire department. I feel this option would be most beneficial to our family and the residents of Merville.	Yes	Courtenay		
51	We understand there is to be no referendum on the above topic which was recently discussed at the Merville Hall. We would therefore like it to be known that we support the satellite station in our area and our preference is that it be aligned with the Courtenay Fire Department. We note that there were a number of references made to aligning with the Oyster Bay Volunteer Fire Department and very little mention of the Courtenay Fire Department. It would seem the report is leaning in that direction and we are concerned that a decision may already have been made. We hope our comments, and those of others, are taken into consideration.	Yes	Courtenay		

#	Comment	Merville Hall?	Dept. ?	Concerns	Governance
52	<p>First off, thank you for facilitating the meeting on Monday evening. From the sounds of it there were more people than expected. Let me introduce myself. My name is Martin Simpson and I recently (July 2016) moved to Courtenay. I live on Sea Terrace Road. I introduced myself to you on the way out at the end of the meeting. I have 13 years of professional full time firefighting experience with the City of Surrey and 1 year as a volunteer firefighter with the city of Surrey. I currently commute to the mainland every 4 days to work. I took the time to read the report from Dave Mitchell and Fred Banham in full. I strongly believe that the report clearly states the need of a fire hall in the Merville area and the concerns behind not having one. I must say I was shocked when I heard that this concern was brought up and discussed in the same meeting hall over 30 years ago and nothing has been done since. I have a few concerns and comments about this project. First off....water supply. In order to be able to supply and sustain a tender response to a basic single dwelling fire the CVRD would have to add a few water towers and/or create some ponds in order to be able to draft a sufficient amount of water. A mutual aid agreement with Comox, Oyster River and the city of Courtenay would also need to be in place in order to be able to run an effective water shuttle evolution with their tenders. There was a great concern regarding the minimum amount and age of the volunteer firefighters. I personally do not think we need to worry about it. Just on my street in the last 3 years 9 families have moved in. I really believe that finding 15-20 volunteers would not be an issue. It does not need to be restricted to only residents. There are plenty of people commuting to the Merville / Farnham area for work that would be happy and able to response during business hours. Residents also expressed concerns about first responders. As mentioned at the meeting, Oyster Bay has first responders and they manage to support that service within the 82 cents per \$1000 of assessment. That is something that can be easily set up. I believe it</p>	Yes	No stated opinion	<p>Water supply</p> <p>FMR is desirable</p>	

#	Comment	Merville Hall?	Dept.?	Concerns	Governance
	would be a great value added to the residents at no extra cost. It would also be a good PR move on the CVRD's part. I would love to find out the average response time during the day, night and weekends for the volunteers in Courtenay. Also their in service times and their on scene times. That would play a major factor when mutual aid is required. We would also need to consider that all volunteer firefighters would need to be trained following the British Columbia Fire Service Minimum Standards also called Structure Firefighters Competency and Training Playbook. I would hope that we would be able to have access to the Courtenay training facility. In conclusion, I really hope this project comes through. I live in a beautiful home with 2 young children that would be devastated if their house burned down to the ground. There are more and more young families moving in the area and they deserve piece of mind knowing that there is a fire hall just down the road. The same goes for the old population. Having first responders service could and will one day save a precious life. I am interested in getting involved in this project. I would love to be able to consult, guide, train, recruit, help purchase equipment for this project. I am looking forward to hearing the outcome of the meeting and finding out what the next step will be.				
53	Recruit volunteers; training/weekly exercises; visit businesses for advice, safety precautions, access, location, water supply; trailer pumps for immediate use by volunteers; I have a pond adjacent to my home, could volunteers use the water? Immediate action: great with for plan to go forward quickly; privately no referendum; before our elected representatives legislate	Yes	No stated opinion		No need for a referendum