

**REPORT TO PORT RENFREW LOCAL SERVICES COMMITTEE  
MEETING OF THURSDAY, 11 MAY 2006**

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**SUBJECT:** PROVISION OF FIRE SERVICE APPARATUS, EQUIPMENT AND HOUSING AS A COMPONENT OF THE AGREEMENT FOR FIRE PROTECTION TO THE PACHEEDAHT FIRST NATION

**PURPOSE:**

For committee consideration of a proposal to joint fund the purchase of fire service apparatus, equipment and housing with Indian and Northern Affairs Canada (INAC) as a component of a proposal to provide a fire response capability to the Pacheedaht First Nation.

**BACKGROUND:**

The Port Renfrew fire department and the Pacheedaht First Nation have been debating how to resolve a long standing issue where Port Renfrew has continued to provide fire protection service to the First Nation without compensation. The First Nations Emergency Services Society (FNESS) has been acting to assist the Pacheedaht First Nation to develop, with CRD staff, a proposal which FNESS can present to INAC for consideration of funding and to the Pacheedaht as a means to resolve the long standing fire protection services issue.

FNESS has identified the INAC requirements for provision of fire services to First Nations in Canada, has evaluated the Port Renfrew fire response capability in relation to the INAC requirements and has identified deficiencies in the capability which would need to be addressed for INAC to support an agreement for fire services to the Pacheedaht. FNESS and CRD have developed capital cost estimates for expenditures needed to address the deficiencies. The two parties have debated potential cost sharing arrangements between INAC and Port Renfrew with respect to capital purchases and between the Pacheedaht and Port Renfrew for annual operating costs. For purposes of this report, it has been assumed that CRD would seek participation from INAC and the Pacheedaht for 50% of all costs, capital and operating.

As these expenditures form the basis of a long term agreement between the Pacheedaht and CRD's Port Renfrew fire services, in advance of completing the legal agreement, it is desirable to obtain the support in principle from the Port Renfrew Local Services committee as to intent of this proposal. INAC has indicated its support for such an arrangement.

**CAPITAL EXPENDITURES:**

The capital related improvements identified by FNESS staff with respect to Port Renfrew Fire department providing contract fire response services to the Pacheedaht are outlined in Table 1 (attached). The requirements arise from the minimum standards for fire protection services for First Nations, and an evaluation of the Port Renfrew fire department assets and capabilities carried out by fire consultants in 2005 as well as the desire to house the department at a location above the Tsunami flood line. Based on a 50% share of the total cost by each party, the share allocated to Port Renfrew equates to \$406,294. INAC would be requested to fund the same share as a cash payment to the CRD.

**FUNDING:**

It is estimated that the share of the costs paid by Port Renfrew for capital upgrades to the project would amount to an estimated \$406,294. The funding for the project is recommended to be as follows:

Given in kind, use of Lot 1, Plan 24267, 50%	(\$ 56,000)
Given in kind, off site expenses for sewer and water 50%	(\$ 12,500)
Sale of Present fire hall building and land	(\$200,000)
Net to Borrow	<u>\$137,794</u>
Total	<u>\$406,294</u>

Borrowing for the project would be financed over fifteen years. The annual cost for a fifteen year borrowing has been estimated at approximately \$14,500.

The following table provides a summary of anticipated expenditures and tax requisition based for 2007 with and without an agreement for service with the Pacheedaht First Nation.

<b>Expenditures</b>	<b>No Pacheedaht Agreement</b>	<b>Pacheedaht Agreement in Place</b>
Operating Expenditures	\$28,810	\$28,810
Debt, Fire Truck	5,160	5,160
Capital Equipment	2,340	2,340
Transfer to Reserve	2,330	2,330
Debt, Pacheedaht Project	0	14,500
<b>Total Costs</b>	<b>\$38,640</b>	<b>\$53,140</b>
<b>Revenue</b>		
Miscellaneous Revenue	1,800	600
Pacheedaht		19,320
<b>Tax Requisition</b>	<b>\$36,840</b>	<b>\$33,220</b>
Total Revenue	\$38,640	\$53,140
<b>2006 Requisition</b>	<b>\$27,770</b>	<b>\$27,770</b>
<b>Requisition Increase</b>	<b>\$9,070</b>	<b>\$5,450</b>

If Port Renfrew reaches an agreement with the Pacheedaht and completes and finances the works pursuant to the agreement, property owners will receive a modest reduction in tax assessment for the service over that proposed for 2007. The estimated total tax increase for 2007 over 2006 amounts to \$5,450 if an agreement is completed and \$9,070 if no agreement is in place.

**ALTERNATIVES:**

The Port Renfrew fire local service area continues to fund the fire response capability for the greater Port Renfrew community, including the Pacheedaht lands, at no cost to the Pacheedaht. The committee could agree not to proceed with an agreement for service; however, the local service area presumably would continue to provide and pay for the service to the Pacheedaht until such service was able to be provided by the Pacheedaht with their own forces.

**FINANCIAL IMPLICATIONS:**

The fire budget has over the past few years carried forward a surplus, which in 2006 was committed to expenditures for the service, and thus is unlikely to be available in 2007 and beyond. To make up for this, revenue from taxation will have to be increased over 2007. Also in 2006, the committee committed to some short term debt to purchase used replacement fire apparatus. As a consequence, unless expenditures are trimmed significantly, the requisition to property owners will increase again in 2007. The requisition is estimated at \$36,840, an increase of \$9,070 over 2006.

The community, if it agrees to the principle of updating the fire department apparatus, equipment and fire hall, as a condition of a long term agreement with the Pacheedaht, will need to obtain the assent of the electors to approve a long term borrowing. If obtained, either by petition, referendum or alternate approval, the community would incur additional debt costs for the next fifteen years amounting to an estimated \$14,500. With a signed agreement, the CRD would recover 50% of the annual operating costs from the Pacheedaht First Nation, estimated to be \$19,320 in 2007. Under this scenario, the tax requisition to the community will still increase over 2006, but the increase will be in the order of \$5,450 instead of \$9,070 as indicated above.

**SUMMARY/CONCLUSIONS:**

FNESS and CRD staff have compiled cost estimates for capital improvements to the Port Renfrew Fire department, deemed necessary for the successful completion of an agreement for service between the Port Renfrew fire department and the Pacheedaht First Nation, amounting to \$812,587. CRD staff seek the approval in principle to commit to raising the necessary funding for the 50% of the works, on the basis that the Indian and Northern Affairs Canada contributes an equal share as a condition of the CRD. The share of the funds from the community would be raised by a combination of gifts in kind, land and services, sale of the existing fire hall structure, with the remainder raised by a long term borrowing. The borrowing would be conditional on approval of the community, as polled by the CRD.

**RECOMMENDATION:**

That the Port Renfrew local service committee:

1. Agree to support an initiative to participate with Indian and Northern Affairs Canada to acquire new fire apparatus and equipment, and to construct a new fire hall for an estimated total project cost of \$812,587, subject to:
  - a. cost sharing for the project to be 50%, INAC, 50% Port Renfrew Fire;
  - b. costs to Port Renfrew to be raised by a combination of land and services given in kind, sale of the existing fire hall with the balance to be raised by a 15 year borrowing;
  - c. approval of the electorate for CRD to borrow the necessary funds

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2. If funding is approved by the Port Renfrew fire local service area, to then recommend to the CRD Board to enter into a 15 year servicing agreement with the Pacheedaht First Nation for provision of fire services.



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Gary Hendren, ASCT  
Local Services Engineering Coordinator

**TABLE 1  
PORT RENFREW FIRE DEPARTMENT CAPITAL IMPROVEMENTS**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>ESTIMATED COST</b>
Apparatus	625 gallon per minute triple combination / CAF pumper truck with 500 gallons of water storage	\$220,000
PPE	Self contained breathing apparatus, spare bottles, turn out gear, other personal protective equipment	\$36,000
Fire Fighting Equipment	Hose, ladders, pike pole, nozzles, fittings, strainer, rope, rescue gear, tools, adapters	\$34,000
First Aid	First responder medical equipment	\$2,560
Forestry Equipment	Forestry nozzles, small tools	\$4,670
	PST	\$20,806
1) Subtotal	Equipment, training and apparatus	\$318,036
Land for Hall	Lot 1, Plan 24267, 660 m2	\$112,000
Servicing off site	Sewer, water, Hydro, Tel	\$25,000
Construction, Hall	Two vehicle hall, three overhead doors, office, locker room and washroom, on site services	\$357,551
2) Subtotal	Fire Hall, land and servicing	\$494,551
Project Total	Item Subtotal 1 + 2	\$812,587
50% Share		\$406,294