



FEASIBILITY STUDY

DUNCAN BAY AREA FIRE PROTECTION SERVICE



NOVEMBER 15, 2022

Index

Executive Summary	3
Introduction	4
Background	5
Service Area Boundaries	6
Capital Costs	6
Annual Operation Costs	6
Potential Revenue Sources	7
Property Taxation Options	8
Tax Rate Calculations	9
Annual Service Costs	10
Approval Process	11
Implementation Schedule	12

List of Tables

Table 1: Summary of Preliminary Survey Responses

Table 2: Annual Operating Costs for Fire Protection Service

Table 3: Analysis of Residential Rates Using Various Property Taxation Methods

Table 4: Calculation of Annual Tax Rates for Proposed Fire Protection Service

Table 5: Annual Fire Protection Service Costs by Property Class and Valuation

Table 6: Schedule of Milestones for Creation of Fire Protection Service

Schedules

Schedule ‘A’ – Proposed Fire Protection Service Area

Schedule ‘B’ - Fire Protection Proposal Letter

(Cover photograph courtesy of Campbell River Mirror)

Executive Summary

This report is prepared in response to a resolution passed by the Strathcona Regional Board on February 24, 2021 which followed receipt of a proposal by the City of Campbell River to provide fire protection services under contract to properties within Electoral Area A and located on Duncan Bay Road, Gordon Road and Race Point Road. The Board resolution directed as follows:

Cornfield/Kerr: SRD 161/21

THAT a further report be prepared to investigate the matter of fire protection services being offered to residents in the Duncan Bay and Race Point areas.

As a preliminary step the Regional District conducted an informal survey of local residents and



Blue Spruce Home Park
(Photo courtesy of Laura Partyka)

property owners in the study area to determine whether there was sufficient interest to warrant further exploration of a fire protection service. The results of that survey indicated that, while significant interest did exist, there were many questions that would need to be answered before the study could proceed to a point where an informed decision could be made. Those questions were primarily related to costs, service levels, response times and water supply issues.

A number of local ratepayers agreed to assist the Regional District in the study by forming a working group to investigate and find answers to these questions and to look at different options and implications associated with providing a fire protection service. As a result of that process the Regional Board accepted a recommendation that the Race Point Road area be evaluated independently from the rest of the study area due to the unique circumstances applicable to that area. Those circumstances include the fact that the Race Point Road area is beyond the fire department response limits recognized by the insurance industry for offering premium discounts to homeowners, as well as the fact that there is no municipal water distribution system in the area upon which firefighters could rely when responding to calls for service. Therefore, a separate report for the Race Point area will be prepared for the Board's consideration.

Having now considered the scope and cost of the service being proposed, the various methods for recovering those costs, and the choices available for seeking ratepayer approval, the following recommendations were offered for the Board's consideration:

- THAT the fire protection service proposed by the City of Campbell River should be put forward for a decision by the ratepayers who would be included in the service area;
- THAT ratepayer approval for the service should be sought using a petition approach to allow property owners to indicate whether they are in favour of or opposed to the service initiative;
- THAT, if approved, the costs of operating the service should be recovered by a property tax levy on land and improvements within the service area; and
- THAT the annual costs of the service should be fixed by contract with the City of Campbell River but subject to reasonable cost of living adjustments on an annual basis.

Introduction

The *Local Government Act* provides authority for the Regional District to establish and operate any service that the Regional Board considers necessary or desirable for all or part of the Regional District. Such services may be operated directly by the Regional District or through another public authority, person or organization. The flexibility for providing services in this manner includes the ability to customize the scope of a service, the boundaries for delivery of a service, and the method or methods for recovering the costs of a service. With very few exceptions, services provided by the Regional District must first be approved by the ratepayers who will pay for the service.

The purpose of this study is to examine the feasibility of establishing a service to provide fire protection for the Duncan Bay Road area. The study is the result of a request from Campbell River that the Regional District consider providing this service through contractual arrangements with the City at an annual cost of \$10,840.

The area in question is located immediately adjacent to the northern municipal boundary of the City of Campbell River within Electoral Area A of the Regional District. The study area is primarily rural in nature with medium to large acreage residential, hobby farm and light industrial uses. A trailer park with approximately 35-40 spaces for mobile homes is also located within the area. A



Campbell River Firehall #1 (Photo courtesy of Campbell River Mirror)

municipal water distribution system with hydrants has been installed in the area and would be available to firefighters for fire suppression purposes. According to the Campbell River Fire Department, the response times to the study area would be in the range of 10-13 minutes from Firehall No.1, assuming that fire apparatus is dispatched from that location. If the fire apparatus is already on a call or otherwise mobile in the community, the response time could be more or less depending on the distance to be travelled. A detailed map of the area affected by this initiative is shown on Schedule 'A'.

An overview of the rationale for this proposal is contained in the letter from the City of Campbell River attached as Schedule 'B'. Additional details regarding its response capabilities were provided at a meeting of area residents by the Campbell River Fire Department as follows:

- The downtown fire station is fully staffed 24/7 with a crew of 4 firefighters and has a target turn out time (from initial dispatch to wheels moving out of the hall) of 80 seconds for a fire call and 60 seconds for a medical call.
- Areas with limited hydrant access would have water shuttled from the closest water supply. The CRFD has a water tender that holds 3500 gallons, upon arrival firefighters will load water into the bladder tanks to start suppressing the fire, and then pull from a local supply such as a pond or the ocean and/or shuttle water to the site. The bladders take only a couple of minutes to set up.
- CRFD has a Structure Protection Unit (SPU). This is a trailer loaded with sprinkler systems. They setup the SPU ahead of the fire to protect structures which mitigates the risk of the fire coming in. They can protect up to 32 homes with this one trailer.
- CRFD also provides medical calls such as first responder, a FireSmart Coordinator, overbank rescue, Provincial Road Rescue Program, the agreement can be flexible about such services.

Following the Board's decision to initiate the study, the Regional District worked with local residents and property owners to clarify the level of service being proposed, the areas that would be provided with the service, and the costs that would need to be borne by ratepayers if the proposal was to proceed. Those details are covered elsewhere in this report.

Background

On January 5, 2021 the Regional District received correspondence from the City of Campbell River regarding the possibility of providing fire protection services to properties in the Duncan Bay/Gordon Road and Race Point Road areas. The correspondence stated that this matter was initiated by a letter from a resident of the area in 2017 and that such an arrangement would support the City's objectives regarding public safety as outlined in its Community Wildfire Protection Plan. Until receipt of the City's correspondence the Regional District was unaware of any requests¹ for fire protection service in this area.



Campbell River Fire Engine #1 (Photo courtesy of Campbell River Mirror)

The correspondence stated that this matter was initiated by a letter from a resident of the area in 2017 and that such an arrangement would support the City's objectives regarding public safety as outlined in its Community Wildfire Protection Plan. Until receipt of the City's correspondence the Regional District was unaware of any requests¹ for fire protection service in this area.

Following receipt of the City's request, the Regional District conducted a survey of residents in the area to determine whether there was sufficient interest to warrant further investigations into this initiative. The survey questions and responses are outlined in the table below:

TABLE 1: SUMMARY OF PRELIMINARY SURVEY RESPONSES

Survey Question	Yes ²		No	
	Race Point	Duncan Bay/Gordon Road	Race Point	Duncan Bay/Gordon Road
1. Are you aware that your property currently does not receive fire protection from a fire department?	18	6	0	0
2. Are you aware of interest within your community for establishing a fire protection service?	16	5	2	1
3. Are you interested in having the SRD investigate this proposal further and bringing back a report for further public consideration?	17	6	1	0
4. If a further study is conducted, are there priorities that you would like to see addressed when considering this proposal for your area?	Service details and costs, response times, insurance savings and water supply.			

Based on the survey responses, it was decided to continue investigating this initiative and a working group of local residents was formed to assist the Regional District with this work. It was later determined that residents of the Blue Spruce mobile home park had not been included in the original survey and a supplemental questionnaire was distributed to those homeowners to advise them of progress to date on the file and to gauge the level of interest in the project.

The results of that process are presented herewith for further consideration.

-
1. A previous request for fire protection was received by the Regional District in 2010 for the Brewster Lake Road area which lies beyond the Gordon Road/Duncan Bay Road area. Following referral of that request to the City of Campbell River it was decided not to pursue that initiative further.
 2. There were 2 additional 'YES' responses to these questions where the location of the respondent could not be determined.

Service Area Boundaries

The proposed area for which the fire protection service would be provided is shown on the attached Schedule 'A'. The boundaries for the service area have been determined by the City of Campbell River and are presumably based on such factors as fire department response times, access to water, road conditions and other factors that could affect the quality of service to be delivered. As with all services provided by the Regional District, it is possible that the boundaries could change over time depending on circumstances. However, the statutes governing such matters are prescriptive and neither the Regional District nor the City would be able to amend the service area boundaries without further public involvement.

It is noted that there are other properties within Electoral Area A and adjacent to the City of Campbell River boundary that are not part of this current proposal. This would include additional properties located on Brewster Lake Road as well as the previously noted Race Point Road. Whether those areas have an interest in receiving fire protection under contract with the City of Campbell River, and the costs associated with such an arrangement, are not matters to be addressed in this report.

Capital Costs

There are no capital expenditures associated with this service proposal. The service would be provided under a contractual arrangement with the City of Campbell River and all capital costs associated with the provision of the service are built into the annual fee. In the event that capital costs are contemplated in the future that would materially affect the quality of the service being provided, the parties would be able to mutually determine whether such costs should be considered as part of the contract or whether a new contract should be considered.

Annual Operating Costs

A breakdown of the anticipated operational costs associated with the proposed fire protection services is shown in the table below. The annual contract payment is based on the information provided by the City of Campbell River and would cover all costs associated with providing fire protection services to the area. This would include first responder and rescue services which are operated through the Campbell River Fire Department. The level and type of fire protection services to be provided under this arrangement would not materially differ from the level and type of fire protection service provided to other nearby properties located within the municipal boundaries of the City of Campbell River.

TABLE 2: ANNUAL OPERATING COSTS¹ FOR FIRE PROTECTION SERVICE

Item	Annual Cost Estimate	Five-Year Cost Estimate
Annual Contract Costs	\$10,840	\$54,200
Service Implementation and Administration ²	\$1,000	\$5,000
Combined Total	\$11,840	\$59,200

1. Operating costs are subject to annual cost of living adjustments.

2. Includes corporate overhead costs, liability insurance, financial management and service administration.

Feasibility Study – Duncan Bay Area Fire Protection

A further description of the revenue options that may be available for this proposed service is provided in the next section of the study.

While it is acknowledged that properties located within a specified travel distance from a responding firehall may benefit by receiving significant reductions in fire insurance premiums, this report offers no guarantees regarding the amount of such reductions or the circumstances under which such reductions may be offered. Residents and property owners within the proposed service area are encouraged to contact their insurance brokers if interested in further details.

Potential Revenue Sources

Having determined the boundaries for the fire protection service and the annual budgetary requirements for the service, it was necessary to consider possible sources of revenue that could be used to meet contractual and other service obligations. As with all Regional District services, the costs to operate a service must be covered by the properties that have the potential to derive benefit from the service. The Regional District does not have authority to use funds raised for a service to be used for any other service.

User Fees - The incorporation of user fees is typically attractive as it can help to minimize reliance on property taxes. However, for fire protection services, the reliance on user fees or subscription fees has historically been a challenge for a number of reasons. In addition, the concept of billing individual properties for services rendered may compromise the early reporting of fires and the broader interests of public safety. This has resulted over the years in fire protection services being considered a civic responsibility in most communities.

Grants - Revenue received by way of grants is another possible source of funding, however such funding is usually reserved for capital works rather than ongoing operational costs. Since the budget for fire protection services is based on fixed operational costs which are not eligible for grant assistance, this is not recommended as a reliable source of funding for this service.

Donations – Although the Regional District is able to accept voluntary donations to cover operating costs for any service (and to issue tax receipts for same), the Regional District is not aware of any such donations being received in the past for this kind of service. Should such contributions be received in the future they would be applied to offset the amounts required from other revenue sources.

Property Taxation - The use of property taxation in such circumstances is often the only reliable method for ensuring that sufficient financial resources are available for meeting annual budgetary requirements. If funded in this manner, the Regional District would annually requisition funds from the Province of BC which, in turn, would collect sufficient funds from the properties within the service area through the rural area property taxation system.

Based on the foregoing, it is suggested that accessing the local property tax base is the most viable method for ensuring that sufficient funding is available to meet the annual requirements associated with operating the proposed fire protection services.

Property Taxation Options

If the annual costs of the fire protection services are to be funded collectively within the benefiting area through a system of property taxation, it will be necessary to consider the various types of taxation that are available for sharing such costs. The table below illustrates the most common types of property taxation used by local government and the resulting financial implications to residential properties of using those methods for funding the fire protection service initiative.

Table 3: Analysis of Residential Rates Using Various Property Taxation Methods

Taxation Method	Occurrences	Assessment Values (2022)	Annual Residential Rate
Land only	22	\$10,386,003	\$0.8811 per 1,000
Improvements only	52	\$13,053,750	\$0.7997 per 1,000
Land and improvements	52	\$23,439,753	\$0.4207 per 1,000
Uniform parcel tax	52	Not applicable	\$227.69
Frontage or area tax	Data not available		

As may be seen, the sharing of costs based on land values alone would disproportionately benefit those properties having low or no land values. Similarly, sharing annual costs based solely on improvement values would favour those with larger land holdings at the expense of those with little or no land value attached to their properties. The use of land and improvement assessments for funding fire protection services not only yields a lower tax rate in comparison to other methods but also recognizes that fires do not respect property boundaries and may spread from occupied properties to vacant land and vice versa.

The use of a uniform parcel tax for funding fire protection services would result in economic disparity with owners of more valuable properties being subsidized by those with less valuable properties. This form of taxation does not recognize that one of the benefits of having a recognized fire protection service is the significant reduction in homeowner insurance rates which is closely tied to the value of the assets being protected.

The use of a frontage tax or area tax would be similar to a parcel tax in that there is no correlation between the amount paid by individual properties and the benefit received by those properties.

For the reasons outlined above, it is suggested that the fairest and most appropriate method of sharing annual service costs would be to levy a tax on land and improvements with the amount of taxation for each property based on the value of that property.

Feasibility Study – Duncan Bay Area Fire Protection

Tax Rate Calculations

Using land and improvement assessments as the basis for allocating annual service costs it is possible to estimate the tax rates that would likely result if the maximum annual requisition was levied within the proposed service boundaries. The calculations in the table below are based on 2022 property valuations supplied by the Assessment Authority of BC and, while the property values within the service area will likely change somewhat year to year, the calculations are believed to be accurate enough for purposes of this study.

Table 4: Calculation of Annual Tax Rates* for Proposed Fire Protection Service

Assessment Class	Occurrences	2022 Net Taxable Values	Conversion Factor	Converted Assessments	% Share	Requisition Share	Tax Rate (per \$1,000)
1. Residential	52	\$20,558,650	.10	\$2,055,865	73.0	\$8,648	0.4207
2. Utility	-	-	.35	-	-	-	-
3. Supportive Housing	-	-	.10	-	-	-	-
4. Major Industry	-	-	.34	-	-	-	-
5. Light Industry	2	797,100	.34	271,014	9.6	1,140	1.4303
6. Business/Other	3	1,926,000	.245	471,870	16.8	1,985	1.0306
7. Managed Forest Land	-	-	.30	-	-	-	-
8. Rec./Non-Profit	-	-	.10	-	-	-	-
9. Farm	2	158,003	.10	15,800	<1.0	67	0.4207
Total		\$23,439,753		\$2,814,549	100%	\$11,840	0.5051

*Note: the tax rates shown for the various property classes is a result of the Province of BC rural property taxation system which uses converted (weighted) assessments by class when calculating tax rates.

Annual Service Costs

On the assumption that the annual costs of maintaining the fire protection services are to be collectively supported by the properties that derive a benefit from those services, it is possible to estimate the annual costs to be borne by the owners of homes, businesses and other types of property within the proposed service area and the table below provides an estimate of those costs based on the value of individual properties. Property owners can determine the estimated annual costs for their specific property with relative ease by using the rates shown in the table below or by multiplying the applicable tax rate shown in Table 4 against the assessed values shown on their most recent property assessment notice.

Table 5: Annual Fire Protection Service Costs by Property Class and Valuation

Taxable Value	Class 1 (Residential)	Class 2 (Utilities)	Class 5 (Light Industry)	Class 6 (Business & Other)	Class 8 (Rec/Non-Profit)	Class 9 (Farm)
50,000	\$21.04	-	\$71.52	\$51.53	-	\$21.04
100,000	42.07	-	143.03	103.06	-	42.07
200,000	84.14	-	286.06	206.12	-	84.14
300,000	126.21	-	429.09	309.18	-	126.21
400,000	168.28	-	572.12	412.24	-	168.28
500,000	210.35	-	715.15	515.30	-	210.35
600,000	252.42	-	858.18	618.36	-	252.42
700,000	294.49	-	1,001.21	721.42	-	294.49
800,000	336.56	-	1,144.24	824.48	-	336.56
900,000	378.63	-	1,287.27	927.54	-	378.63
1,000,000	420.70	-	1,430.30	1,030.60	-	420.70

While the protection of life and property against fire emergencies are important considerations, so is the cost of providing that protection. It is likely that each owner of property will have their individual perspective on whether the value of the service being proposed warrants the cost to their property of providing that service. Although the Regional District is aware that significant insurance premium reductions may be available to properties having access to a fire protection service, the degree to which such discounts are available to residents and property owners will vary depending on individual circumstances and, as such, this information is left for those parties to determine. Ultimately, the decision to proceed with the establishment of a fire protection service will be subject to ratepayer approval. The options available for seeking the approval of ratepayers are described in more detail in the following section of this report.

Approval Process



Duncan Bay Road / Gordon Road
(Photo courtesy of Laura Partyka)

In the event it is decided to proceed with establishment of a Duncan Bay area fire protection service, a bylaw must be prepared and presented for the Board's consideration. The bylaw must set out the nature of the service to be provided, the geographic area that would benefit from the service and which would pay for it, the method of taxation to be employed for recovering annual costs, and the maximum amount that can be requisitioned each year from the benefiting area for the service.

If the bylaw is acceptable to the Board, it would also need to be approved by the Inspector of Municipalities and by local ratepayers. Ratepayer approval may be sought by any of the following methods:

Option 1 (assent voting) – this process is similar to a referendum in that eligible electors would be entitled to vote by secret ballot on whether or not they are in favour of establishing the service and a simple majority of votes that are cast would determine the outcome. The process for conducting assent voting is very prescriptive and the cost would be relatively significant (at least \$2,500 for advertising alone).

Option 2 (alternative approval process) – if this method of approval is selected the Regional District would advertise its intention to proceed with establishment of the service unless at least 10% of the eligible electors in the benefiting area object in

writing before the response deadline. Persons who support the service would not participate in the process on the premise that 'silence means acceptance'. If 10% or more of the electors object to the establishing bylaw the Regional District would not be able to adopt the bylaw without holding a vote on the bylaw using the assent voting option. The cost for this method of elector approval is estimated at \$500.

Option 3 (petition) – a petition approach would allow individual property owners to indicate in writing whether they are in favour of proceeding with the establishment of the service. Only persons who are listed on title would be permitted to participate in this process. If a majority of property owners support the service and they represent at least 50% of the property value in the affected area, the Regional District would be permitted to adopt the service establishing bylaw. The cost of this option is minimal and would likely be in the range of \$200-300.

Given the relatively higher cost associated with seeking ratepayer approval via assent voting or alternative approval process, it is recommended that serious consideration be given to using a petition approach for establishing the service.

Assuming that the fire protection initiative is to move forward based on approval by petition, a sample schedule with milestones for establishing the proposed service is outlined below.

Implementation Schedule

The following table provides more detailed information on the various steps that would need to be undertaken to implement a Duncan Bay Area fire protection service on the assumption that the initiative is to be established using a petition process. The dates shown are approximate only and are believed to be the earliest dates for which the corresponding action could be taken.

Table 6: Schedule of Milestones for Creation of Duncan Bay Area Fire Protection Service

Schedule	Action
November 23, 2022	Regional Board considers feasibility study and authorizes preparation of establishing bylaw for Duncan Bay Area fire protection service.
December 9, 2022	Regional Board gives first 3 readings to Bylaw No. █, being Duncan Bay Area Fire Protection Service Establishing Bylaw 2022, and authorizes ratepayer approval to be obtained by petition.
December 16, 2022	Petition documents distributed to property owners.
January 31, 2023	Deadline for receipt of completed petition forms.
February 17, 2023	If petition is certified as sufficient, director for Electoral Area A provides written consent for adoption of Bylaw No. █.
February 22, 2023	Bylaw No. █ submitted to Inspector of Municipalities for approval under s.342 of <i>Local Government Act</i> .
March 22, 2023	Regional Board adopts operating budget for 2023.
March 31, 2023	Inspector of Municipalities approval received for Bylaw No. █.
April 12, 2023	Regional Board adopts Bylaw No. █.
May 10, 2023	Contract for fire protection service finalized and executed between Regional District and City of Campbell River.
October 30, 2023	Deadline to provide copy of Bylaw No. █ to BC Assessment Authority for tax coding purposes.
January 1, 2024	Fire protection service in place and operational.
March 27, 2024	Regional Board adopts 2024 operating budget for Duncan Bay Area fire protection service.
August 6, 2024	Deadline for payment of property taxes for first year of fire protection service.

Schedule 'A' – Proposed Service Area



**Proposed Duncan Bay Area
Fire Protection Coverage**

-  Proposed Fire Protection Service Area
-  City of Campbell River Boundary

Schedule ‘B’ – Fire Protection Proposal Letter



January 5, 2021

Strathcona Regional
District 990 Cedar
Street
Campbell River, BC
V9W 7Z8

Dear Electoral Area Services Committee:

Re: Fire Protection Service Agreement Area A

Purpose / Introduction

Residents in Electoral Area A of the SRD (Duncan Bay Road & Race Point) have expressed interest for fire protection services from the City. In January 2017, the City received a written request from the homeowner at 4912 Duncan Bay Road requesting fire protection services from the City. As a result, Council directed staff (IC-17-0045) to report back with recommendations and options regarding the request from SRD Electoral Area A resident, Laura Partyka, request for fire protection services from the City.

The purpose of this letter is to gauge the interest of the properties in Strathcona Regional District's Electoral Area A located along Duncan Bay/Gordon Road and Race Point being included in the Campbell River Fire Protection Area. Recommendation #7 from the City of Campbell River's 2020 Community Wildfire Protection Plan (CWPP) states that the City should consider extending the Campbell River Fire Department's (CRFD) Fire Protection Area to include Race Point and Duncan Bay/Gordon Road. This extension is in the interest of community safety in order to ensure these properties which are located within the Wildfire Urban Interface Zone are defensible by the CRFD should a fire breakout.

Background

On January 25, 2017 the City received a written request from SRD Area A resident Laura Partyka for fire protection services from the City. As a result, Council directed staff to report back with recommendations and options regarding the request from SRD Electoral Area A resident, Laura Partyka, request for fire protection services from the City. (IC17-0045) The City currently provides fire protection services to the SRD Area D through letters patent, however the City does not provide fire protection to SRD Area A.

Feasibility Study – Duncan Bay Area Fire Protection

In April 2013 a review was done internally by the City Planning Department on municipal boundary extension options which included the areas of Duncan Bay Road, Gordon Road and Race Point. The report recommended the inclusion of the Duncan Bay/Gordon Rd area in the boundary expansion as it would provide greater protection of City infrastructure and the residents in **Electoral Area A** along Duncan Bay/Gordon Rd.

In the past, the City has taken the position that if the Regional District requests the services of the City, they must be prepared to take all services and join the City of Campbell River and not be selective on individual services. However, that is no longer the position of the City of Campbell River related to fire protection services for the Duncan Bay/Gordon Rd and Race Point areas.

Discussion

The areas of Duncan Bay/Gordon road and Race Point border the City Fire Protection boundary. Currently, the fire department provides fire protection to properties along the south side of Duncan Bay road but not the properties on the north side of Duncan Bay Rd. The fire protection boundary also extends beyond Duncan Bay Road north past the Race Point area but does not include the Race Point area.

Response calls to Duncan Bay/Gordon Rd area can be challenging for the fire department to determine if the property is within the fire protection area or outside of the fire protection boundary due to incomplete or inaccurate information from the initial 911 caller. This places the fire dispatch center, the fire department officer and crew in a difficult situation when trying to determine if the emergency is within the fire protection boundary or outside of the fire protection boundary. In addition, should the fire department respond when the location is not confirmed and arrive on scene to a fire that is discovered to be outside of the fire protection boundary, it puts the crew in an undesired situation where they are not permitted to action the fire if outside of the fire protection boundary.

In addition to the boundary challenges along Duncan Bay/Gordon road area, there is an increasing danger and risk to infrastructure and lands due to climate change and the increased risks of wildfire and interface fires. These areas are identified as medium to high-risk interface areas as per the Community Wildfire Protection Plan (2013 & 2018). In addition, the 2018 CWPP recommends the City and SRD expand the fire protection boundary to include the areas along Duncan Bay/Gordon Rd and Race Point.

Areas around Duncan Bay/Gordon Road and McIvor lake that share boundaries with Electoral Area A are designated “medium to high risk” in the fire Hazard Development Permit Area of the City’s Official Community Plan. Fires that start in Electoral Area A pose a significant risk and threat of spreading to the City lands and visa versa. This can be said for Race Point area as well. Fires in these areas pose a high risk of extending beyond the property of origin to neighbouring property and City property if fire suppression activities are not undertaken as soon as possible.

Options

There are three options to consider for fire protection services to SRD Electoral Area A.

Feasibility Study – Duncan Bay Area Fire Protection

1. Option 1: THAT the City and SRD begin discussions for the establishment of a fire protection agreement for fire protection services, to SRD Electoral Area A (Duncan Bay/Gordon Road & Race Point Road).

This option reduces the risk to the City and SRD from the spread of fire and improves operations for fire response to the area. It also meets the recommendations of the CWPP (2018).

2. Option 2: THAT the City and SRD begin discussions for the establishment of a fire protection agreement for fire protection services, to SRD Electoral Area A (Duncan Bay/Gordon Road area only and not Race Point).

This option reduces the risk to the City and SRD from the spread of fire and improves operations for fire response to the Duncan Bay/Gordon Rd area. It also aligns with the recommendations of the CWPP (2018) to include this area within the fire protection boundary.

This option will not reduce the risks associated with no fire protection to the Race Point area and will not address the recommendation in the CWPP to include Race Point in the fire protection boundary.

3. Option 3: THAT the City and SRD begin discussions to consider a municipal boundary expansion for SRD Electoral Area A (Duncan Bay Road & Race Point Road).

This option is not desirable due to the financial costs to provide water/sewer service to the area and low servicing feasibility over a long term as well as significant risk of capital liability.

4. Option 4: THAT SRD confirm the desire to remain status quo and the City not provide fire protection or boundary expansion to SRD Electoral Area A (Duncan Bay Road & Race Point Road).

This option does not reduce the risk related to the spread of fire in the medium-high risk interface area, the fire department will continue to face operational challenges when responding to this area when provided incomplete information on locations of fires and this option would not meet the recommendations of the CWPP (2018).

Financial / Operational Considerations

Option 1 provides an improved level of service to the Duncan Bay/Gordon Rd and Race Point area. Duncan Bay Road currently has fire hydrants installed, although not in accordance to the City Development Guidelines for hydrant spacing, they do provide a water

Feasibility Study – Duncan Bay Area Fire Protection

supply for firefighting in the area. The property owners along Duncan Bay/Gordon road in Electoral Area A would receive the same level of fire protection services as enjoyed by the residents on the south side of Duncan Bay/Gordon road that are within City Limits. The property owners in Race Point would also see the benefit of fire services to the area which will reduce the risk of fire spreading beyond a property to adjacent properties and lands, however due to the distance from the fire station to Race Point, these residents may not see the financial savings related to insurance as the Duncan Bay/Gordon Rd residents as they may be considered unprotected under the FUS grading system due to the distance to the closest fire station. In addition, due the distance from the fire station, this area would see a reduced level of service compared to the Duncan Bay road area.

The cost to the Electoral Area A residents in the Duncan Bay/Gordon Rd area and Race Point is estimated at approximately \$307 per household. (Duncan Bay Rd = 45 properties/homes, Race Point = 38 properties/homes). The estimated insurance savings per household that fall within a semi-protected dwelling protection grade (DPG) from an unprotected DPG under FUS is estimated at 50%. E.g.: A 2000sqft residential home in an unprotected area would pay an estimated \$3,000 for insurance. That same 2000 sq ft residential home in a semi-protected area would pay approximately \$1500 for insurance. A \$1500 savings. The estimated cost per household under a fire services agreement is estimated to be approximately \$307 annually (2019 dollars). This would provide the homeowners that fall within the semi-protected DPG an approximate \$1200 savings annually. Note: Race Point will be outside of the semi-protected DPG based on distance to the fire hall and may not see the insurance benefits of those in the Duncan Bay/Gordon Rd area.

Option 2 provides an enhanced level of service to the Duncan Bay/Gordon Rd area (not Race Point). Duncan Bay Road currently has fire hydrants installed, although not in accordance to the City Development Guidelines for hydrant spacing, they do provide a water supply for firefighting in the area.

The cost for fire protection to the Electoral Area A residents in the Duncan Bay/Gordon Rd area is estimated at approximately \$307 per household. (Duncan Bay Rd = 45 properties/homes).

The estimated insurance savings per household that fall within a semi-protected dwelling protection grade (DPG) from an unprotected DPG under FUS is estimated at 50%. E.g.: A 2,000sqft residential home in an unprotected area would pay an estimated \$3,000 for insurance. That same 2,000 sq ft residential home in a semi-protected area would pay approximately \$1,500 for insurance. A \$1,500 savings. The estimated cost per household under a fire services agreement is estimated at \$307 annually (2019 dollars). This would provide the homeowners an approximate \$1,200 savings annually.

Option 3 could have a significant financial impact as sewer servicing to these properties would require expansion of the sewer, assessment of collection and treatment capacities, and a review of the City's permitting to see if this would trigger changes. Water service to these properties in Electoral Area A along Duncan Bay Rd would require an expansion of the water main and installation of individual services. The City would need to assess the system's capacity to provide water to these additional properties as they are not currently considered in the City water system planning. Water and sewer service should be considered together. Providing water service without sewer service can create challenges with septic systems as people tend to conserve water if connected to a well. If

Feasibility Study – Duncan Bay Area Fire Protection

connected to City water, consumption may exceed capacity of the existing septic system, which would put pressure on the City to provide sewer service.

Option 4 has no immediate financial implications, however, does continue to pose a risk related to wildland interface fires and does not meet the recommendations in the CWPP (2020). In addition, the fire department will continue to have operational challenges when responding to incidents that may fall just outside the municipal boundary.

Communications

Communications with the SRD will need to take place for consideration of providing fire protection services to the areas identified in this report. City finance department will be engaged to determine and confirm financial costs to SRD for fire protection services along with the funding model to be used. Corporate Communications will be engaged to establish a communications plan in preparation of informing and engaging the public.

Conclusion

Fire protection services to Duncan Bay Rd and Race Point will improve life safety to the residents of SRD Electoral Area A (Duncan Bay/Gordon Rd & Race Point) and the residents of the City of Campbell River along Duncan Bay Rd & Gordon Rd. Fire protection service to these areas will reduce the risk to City and SRD lands from the spread of fire and provide operational benefits to the fire department.

As Race Point is beyond the recommended distance to a fire station under the FUS DPG, there would be little to no insurance savings to the residents of Race Point, therefore, option 2 is the preferred option that the City & SRD direct staff to begin discussions for the establishment of a fire protection agreement for fire protection services, to SRD Electoral Area A (Duncan Bay/Gordon Road Area).

Furthermore, if the residents of Race Point wish to be included in a fire protection agreement, that the City and SRD discuss the establishment of a fire protection agreement for fire protection services that would include Race Point with the Duncan Bay/Gordon Rd area.

Sincerely,



Thomas Doherty

Fire Chief – City of Campbell River