



REGIONAL
DISTRICT
OF NANAIMO

BUDGET AMENDMENTS FOR FIRE APPARATUS PURCHASES

RECOMMENDATIONS

1. That the Bow Horn Bay Volunteer Fire Department R78 replacement budget be increased by \$105,000 in short-term borrowing for the purchase of a replacement engine, with a total budget of \$745,000.
2. That the Cassidy – Waterloo Fire Protection Service 2023 Transfer to Reserves be reduced by \$21,400 for the purchase of a reserve engine from the North Cedar Improvement District.
3. That the 2023-2027 Financial Plan for each service area be amended accordingly.

BACKGROUND

Fire apparatus are continuing to experience significant cost increases from all areas of apparatus construction including manufacturers of the apparatus, drivetrain, chassis, pumps, and additional parts. In 2020, the Regional District of Nanaimo (RDN) entered into a five-year preferred vendor agreement with Fort Garry Fire Trucks, a manufacturer of fire apparatus, to provide a sole source of competitively priced, quality-built fire apparatus with ability for customization and standardization efficiencies. Frontline fire apparatus have a useful lifetime of 20 years to continue to meet the Fire Underwriters Survey (FUS) standards to maintain optimal pump capability and insurance rates for residents. This accreditation can be extended to apparatus for up to 25 years of age with annual mechanical and pump certification, increasing costs to fire departments annually.

Bow Horn Bay Fire Department is replacing Rescue/Pumper 78, which is 28 years old and needs to be replaced to meet FUS standards. As a result of the continued cost increases in fire apparatus, the Bow Horn Bay Fire Department requires additional funds to procure the necessary apparatus, including a 10% contingency to protect against additional manufacturer and supplier increases.

The North Cedar Fire Department, an Improvement District department, recently replaced their frontline fire engine at the beginning of summer 2023 and are looking to sell this well-maintained apparatus. This fire engine remains within the timeframe for Fire Underwriters Survey (FUS) standards for insurance ratings for 3 more years as it is 22 years old. This engine is an ideal reserve engine for the Cassidy-Waterloo Fire Service, who has an aging engine and an aged-out reserve engine that does not meet FUS standards. The engine from North Cedar VFD will replace the existing reserve engine in Cassidy that is 33 years old and well outside of the FUS accreditation acceptable age.

FINANCIAL IMPLICATIONS

The Bow Horn Bay Fire Department R78/Engine replacement budget requires an increase of \$105,000 to the previously approved budget of \$640,000 for a total budget of \$745,000 with the difference funded through short term borrowing.

It is proposed to reduce the Transfer to Reserves for the Cassidy – Waterloo Fire Protection Service in 2023 by \$21,400 for the purchase of a reserve engine from North Cedar Improvement District.

The 2023 – 2027 Financial Plan will need to be amended accordingly, for each apparatus budget change noted above.

STRATEGIC PLAN ALIGNMENT

Social Wellbeing - Make the Region a safe and vibrant place for all, with a focus on children and families in programs and planning.

REVIEWED BY:

- T. Moore, Chief Financial Officer
- L. Grant, General Manager, Development and Emergency Services
- T. Osborne, Acting Chief Administrative Officer