

**DATE:** November 18, 2015

**FILE:** 7200-20/BCOB

**TO:** Chair and Directors  
Regional District Board

**FROM:** Debra Oakman, CPA, CMA  
Chief Administrative Officer

**RE:** Black Creek-Oyster Bay fire protection service, short-term financing

---

### **Purpose**

The purpose of this report is to update the board regarding the water tanker truck for the Oyster River Fire Rescue (ORFR) department. Further, to obtain board resolution to enable the short-term financing of a replacement water tanker truck as approved in the Black Creek-Oyster Bay (BCOB) fire protection service 2016 financial plan.

### **Policy analysis**

The short term financing is permitted by Section 819 of the *Local Government Act* and Section 175(1) of the *Community Charter*. If the term is less than five years, elector approval is not required.

At its regular meeting of March 31, 2015 the board approved the Black Creek-Oyster Bay fire protection service 2015-2020 financial plan which includes the purchase of a water tanker truck in 2016.

The recommendation of this report is consistent with these policies.

### **Executive summary**

The current ORFR water tanker truck did not pass its motor vehicle inspection and is currently out of service. Repairs to this tanker truck are not recommended due to the truck's condition, age and high kilometers. The replacement process of that truck will take approximately four weeks to complete.

Mutual aid partners have been notified and North Island 911 (NI911) will automatically dispatch a water tanker truck to assist ORFR in the event of a structure fire.

The recommendation of this report seeks to expedite the return of a dedicated water tanker truck to the BCOB fire protection service area.

### **Recommendation from the chief administrative officer:**

THAT the Comox Valley Regional District enter into a short term financing agreement in the amount of \$150,000.00 with the Municipal Finance Authority under section 175(1) of the *Community Charter* for the purchase of a water tanker truck for the Black Creek-Oyster Bay fire protection service,

AND FURTHER THAT this financing be repaid within five years of entering into the agreement.

Respectfully:

***D. Oakman***

---

Debra Oakman, CPA, CMA  
Chief Administrative Officer

### **Background/current situation**

Water tanker trucks are essential to the rural fire service as properties in a rural setting likely will not have hydrant service.

The ORFR department's current tanker truck is a 1996 model with approximately 790,000 kilometers. This truck was purchased in 2007.

On November 10, 2015, this office was notified that this tanker truck did not pass its annual motor vehicle inspection. The inspector's report identifies rust and corrosion on the frame, which has now jeopardized the structural integrity of the truck. Accordingly, the truck is no longer in service. This situation is recognized as an emergency and of a high priority. In the context of the truck's condition, age and high kilometers, repairs to the current truck are not recommended.

Staff is currently developing and confirming options available for the replacement of the tanker truck. The process of replacing the tanker truck is expected to take approximately four weeks with completion anticipated in early January 2016. To expedite the return of a dedicated tanker truck to the service, this report seeks approval to enter into a short-term financing agreement with the Municipal Finance Authority (MFA) in advance of an expenditure in January 2016.

### Risk Mitigation

Recognizing a risk of not having its own water tanker truck available, the ORFR has notified its mutual aid partners in Courtenay, Comox and Campbell River. Further, NI911 dispatch has confirmed that, in the event of a structure fire within the BCOB service area, a mutual aid partner will be automatically dispatched to provide water tanker services.

Further to risk mitigation, staff is currently exploring the possible lease of a privately owned tanker truck that is currently located within the service area, as an interim measure. A possible lease would be short-term and would provide a tanker truck from the ORFR hall while the truck replacement process is being done.

### **Options**

Options available to the board include:

1. Authorization to enter into a short term financing agreement with MFA
2. To not authorize entering into a short term financing agreement with MFA

This report provides information in support of option 1.

### **Financial factors**

The approved 2015-2020 financial plan for the Black Creek-Oyster Bay fire protection service includes \$150,000.00 for the purchase of a water tanker truck in 2016. This purchase is to be funded by short-term debt proceeds in 2016.

To expedite the replacement of the current tanker truck, this report seeks approval to enter into a short-term financing agreement with the MFA in advance of a 2016 expenditure.

In the context of the current truck's condition, age and high kilometers, it has no trade-in value to contribute to a replacement.

If a short-term lease of a private tanker truck is a viable interim measure, the approved 2015 budget for the service includes sufficient funds to cover that expense.

**Legal factors**

Short-term financing with a term of five years or less does not require elector assent.

Due diligence can be defined as; the care that a reasonable person exercises to avoid harm to other persons or their property. The prompt initiation of automatic mutual aid assistance in the event of a structure fire will mitigate the risk of harm to property owners and firefighters.

**Regional growth strategy implications**

No regional growth strategy implications have been identified in this report.

**Intergovernmental factors**

NI911 will dispatch an ORFR mutual aid partner of either Courtenay, Comox or Campbell River in the event of a structure fire within the BCOB service area.

**Interdepartmental involvement**

Financial services and fire services staff have collaborated in the development of this report.

**Citizen/public relations**

During a structure fire incident, the first truck to leave the ORFR hall is the main fire engine with the tanker truck leaving the hall shortly afterwards. During the replacement process of the tanker truck, the initial response time of the ORFR department is not anticipated to be negatively affected. Automatic dispatch of mutual aid assistance will mitigate any delay of the arrival of additional water supply to the incident.

Fire protection service to the citizens of the BCOB service area is not expected to be negatively affected during the time of the replacement process of the ORFR tanker truck.

Prepared by:

***J. Bast***

---

James Bast  
Manager of Fire Services

Concurrence:

***T. Ian Smith***

---

T. Ian Smith, MCE  
General Manager of Community Services