

RM of Edenwold No. 158

Report: RM of Edenwold Fire Department and Fire Hall Project



July 2020

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1. Introduction

The Council of the RM of Edenwold is assessing the establishment of a fire department and the construction of a fire hall in Emerald Park. This project would enable the RM to be an active contributor to the fire protection services in the region in addition to continuing contributions to existing regional fire departments. It would also ensure efficient and reliable service delivery to the Emerald Park community, Great Plains Industrial Park and surrounding areas into the future, as the area continues to grow.

2. Current Fire Provision Services

2.1. Operational Structure

The RM of Edenwold has separate contracts with the following 5 fire departments: (1) White City; (2) Balgonie; (3) Edenwold; (4) Pilot Butte; and, (5) Kronau.

Each of these contracts is based on a region of the RM where the department has primary responsibility for providing fire protection services (see **Appendix A** for map). The RM also has a secondary contract with the City of Regina, which is supplementary to the others. Alongside these contracts, the RM contributes to capital and equipment costs for the local departments.

2.2. Costs

The RM of Edenwold is in the third year of individual five-year contracts for fire services with Balgonie, Pilot Butte, Edenwold, White City and Kronau. The RM's current operational budget for fire protection services contracts is \$250,000 plus per call fees to Kronau (Balgonie: \$58,366; Pilot Butte, \$58,366; Edenwold: \$15,918; White City: \$115,553).

The following notes the contributions the RM has made to fire protection equipment in the region over the last few years:

2019	\$25,000 to the Village of Edenwold (50% cost share) to upgrade the 1991 GMC Top Kick Water Truck
2019	\$90,000 (50% cost share) for Balgonie for the purchase of a new Fire Pumper Truck
2018	\$75,000 (100% cost) for a water tanker truck for Pilot Butte
2017	\$126,000 (50% of the cost) of new rapid response truck with Pilot Butte
2016	\$19,800 (38% of the cost) of ladder truck for White City
2016	\$56,173 (65% of the cost) of new water tanker fire truck for White City

2.3. Service Analysis

The 5 fire departments that provide emergency services to the RM are each unique in the coverage they provide, the amount of land they provide service to, and the number of people within the RM that rely on them for emergency response.

Population and land serviced by the 5 fire departments vary greatly. The population of the RM per department ranges from 285 to 1,532, while land serviced is anywhere between 33 and 92 sections.

There is a somewhat inverted correlation between population and land, the higher the population, the smaller the area covered. This correlation holds for all departments except for that of Pilot Butte.

The variation in funding between the departments on the basis of land area is much larger than the variation from the population perspective. From a land-based perspective, the White City Department services the smallest areas, but it also receives considerably more funding than the other departments.

	Pilot Butte	Edenwold	Balgonie	White City	Kronau
Residences	469	92	117	494	110
Population	1453	285	363	1532	341
Funding from Jan. 2018 to Dec. 2020	\$171,000	\$47,000	\$171,000	\$330,500	Pay-Per-Service
Serviced Area (in Sections)	92	72	63	33	72

The types of construction and zoning in the RM within each fire department’s purview also varies. Within all 5 regions, agricultural land occupies the greatest amount of zoned land, approx. 92.8% overall. The White City Department services the most diverse area of the RM that includes a broad ranges of zones including industrial and commercial zones, although agricultural is still the dominant use covering 82.5% of the land in the coverage area. Pilot Butte’s area is also more diverse while the Kronau, Edenwold and Balgonie areas are largely homogeneous.

The following equipment is owned/maintained by each department:

Department	No. Trucks	Truck Type
White City	5	Rescue, Pumper, Tanker/Pumper, Ladder and Command
Balgonie	4	Command/Rescue, Tanker/Pumper, Pumper and Grass*
Pilot Butte	6	Tanker*, Rescue/Pumper #1, Rescue/Pumper #2, Attack/Wildlands, Command, Ambulance
Edenwold	4	Pumper, Tanker, Grass, Command
Kronau	5	Pumper #1, Pumper #2, Pumper #3, Command, Utility

*Owned by the RM of Edenwold but housed and maintained at the local department as listed

Overall, the equipment available from each department is fairly similar with some departments having an additional apparatus in comparison with others.

The following provides a breakdown of the number of volunteer firefighters at each department:

Department	Volunteers	Staff
Balgonie	33	
Pilot Butte	26	
Kronau	29	
White City	16-20	1
Edenwold	12	

The Balgonie department has the most volunteers while the Edenwold department is the smallest. Only White City employs a fire chief as a member of staff. The services provided by the White City department to the RM are the same as other fire departments.

Based on a comparison of the coverage areas, equipment and staff availability and contract prices, the cost for service from the White City department is very high. Meanwhile, Balgonie, Edenwold, Pilot Butte and Kronau all provide services at better value.

White City services the area where most RM new development and population growth is expected and the Town is also anticipating considerable growth. The Town has already indicated the White City fire hall requires expansion, so the RM is predicting that it will become challenging for the department to maintain adequate service levels for the Emerald Park area in the near future. Based on these factors, it seems to be the right time to construct an RM fire hall in Emerald Park to ensure timely and efficient service delivery into the future.

3. Concept

A primary responsibility of Council is to manage the operations of the RM in a cost-effective, efficient and responsible way, deciding where to outsource services and where it creates long term efficiencies to provide the service internally. Council has reviewed fire services needs and agreements and has found that there may be a need for a fire hall in Emerald Park to ensure timely and efficient service delivery into the future. As the region continues to grow, the RM is predicting that it will become challenging for the White City fire department to maintain adequate service levels for the Emerald Park area without expansion to a second location. The construction of a new hall presents an opportunity for the RM to expand its role in fire service delivery in the region.

The growth in the region has not only impacted the RM of Edenwold and White City, but also other regional neighbours. Pilot Butte has been growing and adding new fire equipment, which has led to a need to look at expansion options for the local fire department. The RM's new fire hall will meet this need.

Recognizing that the RM has not operated a fire hall previously and that there is value working with and learning from others, it is proposed to be operated as a satellite facility to the Pilot Butte fire hall, with the Pilot Butte Fire Chief overseeing the operations of both stations for the first few years of operation.

The Fire Chief and other local experts have been consulted as part of the design and evaluation process for the RM's new hall. This consultation process is intended to assist Council in making the design and operations decisions that ensure functionality of the station and the new department. The RM intends to continue to work together with regional fire departments to ensure excellent services for all citizens and businesses across the RM.

4. Fire Hall

4.1. Location

The parcel of land where the RM’s municipal office was recently built is a centrally-located lot that is over 10 acres in size. The municipal office uses about 1 acre of the site, leaving plenty of room for additional municipal facilities. The RM of Edenwold is considering constructing the fire hall on this site, south of the municipal office.

This site was chosen because of the proximity to the high-density development areas within Emerald Park including the Emerald Park Business District, Great Plains Industrial Park and residential areas. It is also in close proximity to the future Royal Park subdivision, which is expected to see the development of numerous residential and commercial sites in the coming years. Finally, the site has good access to the local road network, with quick access to South Plains Road, a main thoroughfare through the area. Finally, from this location, there are several agricultural areas that can also be serviced by the RM’s department including areas along the south service road and the CN railway line.

A site plan is being developed in consultation with experienced firefighters. It is expected that this plan may see further minor revisions based on feedback from different groups including, but not limited to, planners, landscape architects, engineers and neighbours. Safety and functionality are of the utmost importance. But, walkability through the area and connectivity to nearby amenities are also relevant considerations.

4.2. Design

Council engaged an architect team to prepare a design and contract package for the proposed fire hall. Under this contract, the RM will obtain a refined site layout, a design for a fire hall building, a cost estimate for the building and all required components (i.e. furnishings, utility hook-ups) and a construction process package.

As part of the process of developing and refining the site plan and building design, the RM has consulted with experienced fire fighters to guide the design process and ensure that best practices are used in the design to enhance functionality. Initial consultations were planned for mid-March; however, these were postponed to late May as a result of the COVID-19 pandemic.

4.3. Budget

As a preliminary estimate, the proposed fire hall is expected to cost \$900,000 including the hall, the required utility hook-ups and all furnishings. This cost estimate does not include paving, equipment, start-up costs or any operational budget.

Category	Estimated Cost	2020	2021
Building	\$900,000.00	\$675,000.00	\$225,000.00
Driveway/Parking	\$150,000.00	\$37,500.00	\$112,500.00
Generator	\$55,000.00		\$55,000.00
Total	\$1,105,000.00	\$712,500.00	\$392,500.00

In support of this project, the RM has been saving money in a reserve account for over 12 years. The funds in this account were obtained in part from contributions by land developers. At present, the reserve account holds over \$790,000, representing over 70% of the total construction costs.

The RM of Edenwold has applied for one grant in support of this project up to this point. If successful, this grant would provide up to \$25,000 dollars towards the construction of the fire hall. In 2020, the RM also received Municipal Economic Enhancement Program (MEEP) funding from the province in the amount of \$645,000. Of this, \$225,000 has been earmarked for the fire hall. The RM plans to take advantage of any additional opportunities for grants that may come along during the planning and pre-construction phases and to develop a sponsorship program in support of the project. At this time, the RM expects to receive about \$60,000 from sponsorships. Many businesses have grants/donations to support local community development of new fire halls and the RM intends to apply to those companies.

The reserve account dollars together with the MEEP dollars, the potential grant and potential sponsorship add up to a total of \$1,100,000 leaving about \$5,000 owing for the construction of the fire hall facility.

4.4. Timeline

The RM Council believes now is the right time to work on the fire hall project to proactively address the increasing need for fire services in the area. The municipality has been planning for this project for years and, based on construction contracts awarded in the last 3 years, pricing is favourable at this time. Council also recognizes that COVID-19 has had a negative impact on local industry, so this project represents considerable job creation in the construction industry. It is anticipated that the municipality could make a decision on the project in July 2020, award a contract during the late summer of 2020 and see the project completed as early as the winter of 2021.

5. Start-up

The total budget for start-up costs for the RM’s fire department and the commissioning of the fire hall is expected to be \$983,550. The items included for start-up are all anticipated to be one-time costs.

Category	Estimated Cost	2020/21	2022-2025
Apparatus	\$584,000.00	\$50,000.00	\$534,000.00
Firefighters	\$165,000.00	\$165,000.00	
Communications	\$122,950.00	\$122,950.00	
Equipment/Tools	\$111,600.00	\$111,600.00	
Total	\$983,550.00	\$449,550.00	\$534,000.00

The RM of Edenwold already owns two fire trucks; a grass fire truck and a tanker truck. There will be a need for acquisition of a pumper truck and a rescue truck as well to ensure a full fleet; but, because the RM already owns two key apparatuses, the new trucks are not required for start-up. They can be

purchased after operations are initiated, during the period between 2022 and 2025. This approach allows for the separation of the start-up costs resulting in a budget of \$449,550 for the 2020-2021 period and a budget of \$534,000 for the 2022-2025 period.

As equipment reaches the end of its lifecycle or as the department grows, there will be annual replacement costs. These are reflected in the operations budget as “capital reserve” items.

6. Operations

6.1. Anticipated Operational Structure

With the development of the new fire hall in Emerald Park, the operational and regional structure for the provision of fire protection services is not expected to change considerably with the exception of the current arrangement with White City. As the RM will become an active participant in the provision of services, the contract fees paid to neighbouring departments may be reduced.

The RM of Edenwold’s new fire department is to be staffed by volunteer fire fighters from the central region of the municipality and potentially neighbouring jurisdictions. As a satellite facility to the Pilot Butte fire department, the RM’s department will be operated under the direction of the Pilot Butte fire chief. The relationship between the two jurisdictions and the operations of the RM’s fire hall and fire department will be further elaborated in an agreement.

6.2. Anticipated Costs

The RM has developed a projected operation budget for the new fire hall at approximately \$127,200 annually.

Category	Estimated Cost
Communication	\$12,400.00
Personnel	\$54,500.00
Building	\$11,800.00
Apparatus	\$5,500.00
Other	\$43,000.00
Total	\$127,200.00

Based on comparisons with neighbouring fire departments, this budget falls within a reasonable range as the annual budgets for similar neighbouring departments (except White City) fall within the \$110,000 to \$115,000 range. White City employs a fire chief and has a much higher operational budget of over \$225,000 per year.

For reference, the operational budget of \$127,200 represents 1 percent of the RM’s 2020 operational budget of \$13 Million.

7. Comparison and Analysis

7.1. Cost Comparison

To evaluate the proposed fire hall project, the RM carried out a comparative analysis of the anticipated costs of fire services for the municipality by evaluating the following two options:

- (1) the option of building a new fire hall and creating an RM of Edenwold fire department; and,
- (2) the option of continuing to purchase fire services from the neighbouring jurisdictions.

The result of this analysis is that at the end of an 11-year period (2019 to 2030), in the scenario of building a fire hall, the RM would spend an estimated \$5.3 Million dollars for the fire hall and fire services of which \$790,000 would come from reserve dollars that have been saved specifically for the fire hall project and \$310,000 would come from grants and sponsorships. Once those dollars are subtracted from the expenses, the result is a total expense of \$4.43 Million for fire protection services for the whole RM. Of this budget, \$1.8 Million would be spent on contracts and support for neighbouring fire departments and the remaining \$2.63 Million would be allocated to the RM's fire department and controlled by the RM Council.

In the alternative scenario, if the RM were to decide not to move ahead with construction of a fire hall, for the same 11-year period (2019 to 2030), the RM would spend \$4.35 Million on fire services assuming annual 2% increases to contract prices. All of these dollars would be provided to neighbouring fire departments. In this scenario, the grants in the amount of \$225,000 and \$25,000 and the sponsorship dollars in the amount of \$60,000 would be irrelevant. Further, a certain amount of the reserve dollars would have to remain untouched as these monies have been acquired through contracts with developers that specify that the monies are provided in support of an RM of Edenwold fire hall and equipment.

New Fire Hall													
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTAL (2019-2030)
Fire hall		\$712,500	\$392,500										
Start-up		\$112,388	\$337,163	\$264,382		\$269,382							
Operations			\$95,400	\$127,200	\$127,200	\$127,200	\$127,200	\$129,744	\$132,339	\$134,986	\$137,685	\$140,439	
External Contracts	\$240,100	\$240,100	\$190,000	\$150,000	\$100,000	\$100,000	\$100,000	\$102,000	\$104,040	\$106,121	\$108,243	\$110,408	
Capital Contributions	\$78,000	\$78,000											
Capital Reserve					\$25,000		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	
Total	\$318,100	\$1,142,988	\$1,015,063	\$541,582	\$252,200	\$496,582	\$252,200	\$254,200	\$256,240	\$258,321	\$260,443	\$262,608	\$5,349,719
Reserves		-\$600,000	-\$190,000										
Grants		-\$25,000											
MEEP Grant		-\$225,000											
Sponsorship			-\$60,000										
Total	\$318,100	\$517,988	\$765,063	\$541,582	\$252,200	\$496,582	\$252,200	\$256,744	\$261,379	\$266,106	\$270,929	\$275,847	\$4,474,719

No RM Fire Hall													
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTAL (2019-2030)
Balgonie	\$57,222	\$58,366	\$59,534	\$60,724	\$61,938	\$63,177	\$64,441	\$65,730	\$67,044	\$68,385	\$69,753	\$71,148	
Edenwold	\$15,606	\$15,918	\$16,233	\$16,561	\$16,892	\$17,230	\$17,575	\$17,926	\$18,285	\$18,650	\$19,023	\$19,404	
Pilot Butte	\$57,222	\$58,366	\$59,534	\$60,724	\$61,938	\$63,177	\$64,441	\$65,730	\$67,044	\$68,385	\$69,753	\$71,148	
White City	\$110,050	\$115,553	\$121,330	\$127,397	\$129,945	\$132,544	\$135,195	\$137,899	\$140,657	\$143,470	\$146,339	\$149,266	
Kronau	\$1,500	\$1,530	\$1,561	\$1,592	\$1,624	\$1,656	\$1,689	\$1,723	\$1,757	\$1,793	\$1,828	\$1,865	
Capital Contributions		\$78,000	\$80,340	\$82,750	\$85,233	\$87,790	\$90,423	\$93,136	\$95,930	\$98,808	\$101,772	\$104,825	
Total	\$241,600	\$327,733	\$338,532	\$349,748	\$357,570	\$365,574	\$373,764	\$382,143	\$390,717	\$399,491	\$408,469	\$417,656	\$4,352,997

In all scenarios, a 2% increase is applied per year for external municipal fire service contract costs, which starts at 2026 in the “new fire hall” scenario. Also, in 2026 in the “new fire hall” scenario, a 2% increase is applied per year for the operation of the RM fire department.

Overall, the cost of fire services in the RM is estimated to be \$82,000 more over the 11-year period if the RM moves ahead with the construction of a new fire hall in comparison with the option of continuing to purchase fire protection services exclusively from other municipalities. However, the operational costs are expected to remain significantly lower overall and to see less variability over the later years of the analysis (from 2025 to 2030) in the scenario where the RM constructs a new fire hall. This is because the compound increases to the contract costs will be significantly higher in the “no RM fire hall” scenario as compared to the “new fire hall” scenario.

To examine the effect of the compound increases over time, the analysis was extended to 2040. The results are the following:

New Fire Hall				
Snapshot Years	2030	2035	2040	Total (2019-2040)
Fire hall				\$1,105,000
Start-up				\$983,314
Operations	\$127,200	\$155,056	\$171,194	\$2,847,917
External Contracts	\$110,408	\$121,899	\$134,587	\$2,884,129
Capital Contributions				\$156,000
Capital Reserve	\$25,000	\$25,000	\$25,000	\$425,000
Total	\$262,608	\$274,099	\$286,787	\$8,401,360
Reserves				-\$790,000
Grants				-\$25,000
MEEP Grant				-\$225,000
Sponsorship				-\$60,000
Total	\$262,608	\$301,956	\$330,781	\$7,526,360

No Fire Hall				
Snapshot Years	2030	2035	2040	Total (2019-2040)
Balgonie	\$71,148	\$78,553	\$86,729	\$1,562,092
Edenwold	\$19,404	\$21,423	\$23,653	\$426,019
Pilot Butte	\$71,148	\$78,553	\$86,729	\$1,562,092
White City	\$149,266	\$164,802	\$181,954	\$3,256,752
Kronau	\$1,865	\$2,059	\$2,273	\$40,948
Capital Contributions	\$104,825	\$121,521	\$140,877	\$2,236,766
Total	\$417,656	\$466,912	\$522,215	\$9,084,670

At the end of a 21-year period (from 2019 to 2040), the RM will save about \$1.5 Million overall by constructing a new fire hall in comparison with the alternative of not constructing a hall and continuing to purchase fire protection services exclusively from neighbouring jurisdictions.

7.1. Other Considerations

Although cost is an important factor, there are other relevant considerations regarding the proposal that must be evaluated as well.

Control and Operations Management

In today's scenario, the RM does not have a seat at the table in the management or decision-making processes for any of the departments that provide fire protection services to the RM, despite providing more than 50% of annual costs in some cases. An example of where this has been an issue is with White City. Emerald Park and the Emerald Park Business District are key areas located within the White City fire service area. The RM's contributions to the White City department represent more than half of the operations expenses. During negotiations of the current contract, the RM was clear about the need for the opportunity to participate in the decision-making process. Yet, at the time of writing, White City has not presented the RM with any opportunity to participate in the management of the fire department. As a local government, the RM expects to have a say in how the needs of our communities are met and how tax dollars are being spent, even when the service is provided by an external agency.

Should the RM construct and operate a fire hall and fire department, it would enable the RM Council to have control over the department and ensure that all purchases and decisions are appropriate for the area being serviced. The RM could ensure cost-effective decision-making and efficiency of service. Further, as an active participant in regional fire protection service delivery, the RM could also participate in decision-making processes at the regional level (such as the acquisition of "regional" equipment).

Fair Contract Negotiation

As a service-provider of fire protection services, if the RM were to develop a fire department, it would put the RM in a stronger position for negotiations with neighbouring departments regarding contract fees or potential regional capital purchases. This is especially true of White City, where negotiations have been challenging in the past and the RM today is overpaying for the services of the department, based on the contract costs for other neighbouring municipalities and a review of the services being provided.

Adequate Service Delivery

In the scenario where the RM continues to purchase fire protection services from neighbouring municipalities, the RM runs the risk of being dissatisfied with the services available. For instance, the RM anticipates growth in the Emerald Park area within the next ten years. This falls within the Town of White City's coverage area. However, the Town's fire hall is poorly located to service these new development areas as it is located across Highway 48, in the eastern area of the Town. Further, White City's department is one of the smallest in the region based on staffing numbers. The RM is concerned that the department may not provide adequate service delivery and is not well-located to provide services to Emerald Park or the agricultural areas west and south of Emerald Park into the future.

The option of constructing a fire hall and establishing a new department in Emerald Park provides the RM with more certainty as to the future service delivery to the highest-density area of the municipality.

8. Conclusion and Next Steps

As the RM of Edenwold plans for the future, it is incumbent upon its Council to ensure fire protection service delivery is provided in a cost-effective and reliable manner. Past contract renewal negotiations have, at times, placed the RM in an insecure position with concerns for the safety of citizens. The RM Council must now take proactive steps to maintain confidence in fire protection service delivery into the future.

There is a regional approach to fire protection service delivery that ensures mutual aid to neighbours throughout the area. The RM believes the addition of a new fire department and fire hall will strengthen the protective service delivery for the entire region, but especially for Emerald Park businesses, residents and nearby agricultural properties.

As the next steps in this process, Council will review this report along with building plans and site plans in order to make a decision about moving ahead with the fire hall in 2020. To move forward, Council members and RM staff will work together with consultants, professionals and external experts to refine the plans to be shared with the community for feedback. Council will continue to provide updates about this project as it moves forward and welcomes any suggestions or ideas from the community.

9. Appendices

Appendix A – Fire Protection Map