



***Gibsons/West Howe Sound Fire
Protection Service Pumper
Apparatus Replacement Project Loan
Authorization Bylaw No. 765, 2024***

Information Package

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General Information on Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project Loan Authorization Bylaw No. 765, 2024

The Sunshine Coast Regional District (SCRD) is proceeding with an Alternative Approval Process (AAP) for *Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project Loan Authorization Bylaw No. 765, 2024*. The bylaw proposes to borrow up to \$1,499,500 to be repaid over a 10-year term to fund the Pumper Apparatus Replacement project. Approval of the electors is required since the borrowing proposed is for a period longer than five years.

Project Background

The existing Gibsons and District Fire Service fire engine is a 2001 Freightliner. This truck was initially purchased to replace two separate fire trucks and was built as dual-purpose for fire suppression and tender operations. This fire engine is now 23 years old and is insufficient to meet the fire service's current needs, partly due to its pump capacity and limited horsepower. Further, the Gibsons community has grown significantly since this truck was originally acquired, resulting in significant increase to the fire department's call volume. Many of the calls the department attends now involve larger and more complex buildings.

A replacement fire engine is expected to offer operational and safety improvements while carrying more equipment and firefighters to emergency scenes quickly. It is also expected to maintain Fire Underwriter's Survey (FUS) grading for fire insurance purposes. As such, the SCRD is proposing to pursue borrowing of up to \$1,499,500 over a 10-year term to fund replacement of the Pumper 1 fire apparatus for the Gibsons and District Fire Service.

The AAP

The question posed by this AAP is whether the SCRD can proceed with long-term borrowing (10 years) to fund this project. The SCRD recognizes the critical need for a pumper apparatus replacement in the Gibsons/West Howe Sound Fire Protection Service. If the AAP fails, other options such as proceeding to an assent vote (referendum) may be considered.

What do I do?

If you are opposed to the SCRD using long-term borrowing to fund the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project, you may **submit an Elector Response Form to indicate your opposition**.

If you support the SCRD using long-term borrowing to fund the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project, you do not need to take any further action.

Who can I contact for more information?

More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer at the SCRD office at 1975 Field Road or by telephone at 604-885-6825 or by contacting Kristi Wiebe, Deputy Corporate Officer at 604-885-6813. Additional information may be obtained by visiting www.scrd.ca/aap.

SUNSHINE COAST REGIONAL DISTRICT

BYLAW NO. 765

A bylaw to authorize the borrowing of up to One Million and Four Hundred and Ninety-Nine Thousand Five Hundred Dollars for the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project

WHEREAS the Board of the Sunshine Coast Regional District has established by Bylaw No. 1027, a service for the purpose of providing fire protection within the Town of Gibsons and a defined area within the Electoral Areas of Elphinstone (Area E) and West Howe Sound (Area F);

AND WHEREAS the Board of the Sunshine Coast Regional District wishes to replace the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus;

AND WHEREAS the Board of the Sunshine Coast Regional District wishes to borrow for debt incurred by the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project (the "Project");

AND WHEREAS the estimated cost of the Project, including expenses incidental thereto, that is not covered by other sources of revenue, is the sum of up to One Million and Four Hundred and Ninety-Nine Thousand Five Hundred Dollars (\$1,499,500) which is the amount of debt created by this bylaw;

AND WHEREAS the maximum term for which a debenture may be issued to secure the debt created by this bylaw is for a term not to exceed ten (10) years;

AND WHEREAS the authority to borrow under this bylaw expires five (5) years from the date on which this bylaw is adopted;

AND WHEREAS the Board of the Sunshine Coast Regional District has obtained the approval of electors in the Gibsons/West Howe Sound Fire Protection service area;

NOW THEREFORE, the Board of the Sunshine Coast Regional District in open meeting assembled, enacts as follows:

1. This bylaw may be cited as *Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project Loan Authorization Bylaw No. 765, 2024*.
2. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project serving the Gibsons/West Howe Sound Fire Protection service area generally in accordance with plans on file in the regional district office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:



NOTICE OF ALTERNATIVE APPROVAL PROCESS

An **Alternative Approval Process (AAP)** is a cost-effective method to engage with the community to determine whether there is support for certain initiatives, such as long-term borrowing, or other service-related projects. If 10% or more of the eligible electors oppose the initiative, the SCR D cannot proceed with it and must consider other options including going to an assent vote (referendum).

The SCR D is proposing to utilize long-term borrowing to fund the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus replacement project described below. Eligible electors may submit an Elector Response Form to indicate their **opposition** to the SCR D utilizing long-term borrowing to fund this initiative.

The response must be in the form established by the SCR D or be an accurate copy of the elector response form. Forms are available at the SCR D Field Road Administration office or online at www.scrd.ca/aap.

Three Ways to Submit an Elector Response Form to Oppose the Proposed Loan Authorization Bylaw(s):

- ✓ **Email** legislative@scrd.ca (Emailed copies of elector response forms must be a legible hand-signed scanned copy).
- ✓ **Drop off at the SCR D in Person** at 1975 Field Road, Sechelt, BC from Monday to Friday, 8:30 am to 4:30 pm, excluding statutory holidays, or drop off after hours in the mail drop slot located on the east side of the building.
- ✓ **Mail** to Sunshine Coast Regional District, 1975 Field Road, Sechelt, BC V7Z 0A8.

DEADLINE for receipt of Elector Response Forms at the SCR D is **Monday, July 15, 2024 at 4:30 p.m.** Forms **MUST** be received by the deadline in order to be counted.

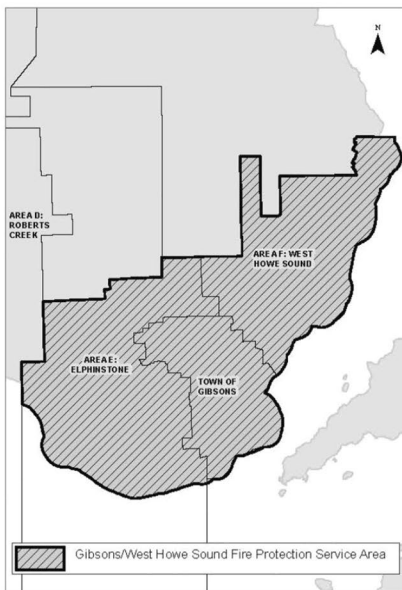
Bylaw No. 765 **8,450** eligible electors with
10% threshold being **845**

Taxpayer Impact: The portion of property tax allocated to debt repayment would amount to approximately \$3.35 per \$100,000 of assessed value on an annual basis until the debt is retired. The estimated annual principal and interest payments over a ten-year period would be approximately \$193,493 per year for the term of the debt based on the current indicative long-term lending rate. The costs of the debt have already been accounted for within the existing service funding for Gibsons/West Howe Sound Fire Protection Service therefore there will be no direct impact on taxation for properties within the service area. Borrowing requires approval of the electors since the loan term is for a period longer than 5 years.

Only eligible electors within the Gibsons/ West Howe Sound Fire Protection Service Area (Town of Gibsons, and Electoral Areas E and F, excluding those parts within the Trust Area under the jurisdiction of the Islands Trust) are entitled to sign an elector response form. The SCR D may proceed with long-term borrowing to fund the Apparatus Replacement Project unless, by the deadline, at least 10% (**845**) of the eligible electors in the service indicate their opposition.

Gibsons/West Howe Sound Fire Protection Service - Pumper Apparatus Replacement

Description: The existing Gibsons and District Fire Service fire engine is a 2001 Freightliner. This fire engine is now 23 years old and is insufficient to meet the fire service's current needs, partly due to its pump capacity and limited horsepower. Further, the Gibsons community has grown significantly since this truck was originally acquired, resulting in significant increase to the fire department's call volume. Many of the calls the department attends now involve larger and more complex buildings. A replacement fire engine is expected to offer operational and safety improvements while carrying more equipment and firefighters to emergency scenes quickly. It is also expected to maintain Fire Underwriter's Survey (FUS) grading for fire insurance purposes. To finance this project, the Sunshine Coast Regional District is proposing to borrow up to \$1,499,500 to be repaid over a 10-year term to replace the Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus.



Copies of the loan authorization bylaw, the calculation of eligible electors, and other documents or reports related to this initiative may be obtained from the SCR D website at www.scrd.ca/aap, or from the SCR D Field Road Office between 8:30 am and 4:30 pm Monday to Friday, excluding statutory holidays.

More information on the AAP may be obtained by contacting Sherry Reid, Corporate Officer at the SCR D office at 1975 Field Road, Sechelt, or by telephone at 604-885-6825.

Sherry Reid, Corporate Officer

Calculation of Eligible Electors

The total number of electors of the area to which the approval process applies (Gibsons/West Howe Sound Fire Protection Service Area: Town of Gibsons, and a defined area of Electoral Area E – Elphinstone and Electoral Area F – West Howe Sound, excluding those parts within the Trust Area under the jurisdiction of the Islands Trust) has been calculated at **8,450**.

The number of electors was calculated as follows:

The number of resident electors on the Provincial voters list in the Service Area, as received from Elections BC on March 13, 2023 **(8,430)**

plus

The number of non-resident property electors currently registered for properties within the Service Area, excluding those who also reside within the Service Area **(20)**

Approval of the electors by alternative approval process is obtained if the number of elector responses received by the established deadline is less than **845** (which is 10% of the total eligible electors).

Financial Information / Budget Implications

Gibsons/West Howe Sound Fire Protection Service Pumper Apparatus Replacement Project

The Gibsons and District Volunteer Fire Department has an approved annual funding envelope for the renewal of assets and equipment that is critical to the provision of the service. This amounts to approximately \$6.27 of taxation per \$100,000 of assessed value for each resident within the service. This funding envelope considers the servicing of the debt associated with the Pumper Apparatus Replacement Project under a 10-year borrowing contract, amounting to approximately \$3.35 of the aforementioned \$6.27. As this funding has already been approved, if the AAP for the Loan Authorization is successful, there will be no direct impact on taxation for this service as the costs for the debt have already been accounted for within the existing service funding.

Note: The overall rate structure may vary from year to year depending on changes to capital plans and the availability of other sources of funding such as provincial and federal grants.

Estimated Costs	10 Year
Total Annual Principal and Interest Payments*	\$193,493
Net cost of borrowing*	\$653,782
Tax per 100k of Assessed Value	\$3.35

*Based on the current indicative long-term lending rate of 4.36%, net of interest earned on MFA sinking fund balance. Rates are subject to change.