

4.



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
May 2, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in black ink, appearing to read "Mike Labrecque".

SUBMITTED BY: _____
Mike Labrecque, P.Eng., Director Transportation & Public Works

DATE: April 21, 2006

SUBJECT: Rural Fire Fleet

INFORMATION REPORT

ORIGIN

At the March 21, 2006 Council meeting, item 10.1.12, Purchase of Fire Vehicles for Rural Areas - Reserve Withdrawals, Councillor Hendsbee requested an information report providing a detailed list of the number of fire vehicles in use in the fleet as well as the age of those vehicles.

BACKGROUND

For many years the Rural Fire Fleet suffered with resource issues that reduced their ability to support proper fire protection. In 2001, a Fleet Survey review was done on the equipment. The review identified gaps between the ability/reliability of the fleet, and the service level requirement.

In 2003, Council moved to repair the situation through a “Rural Tax Structure Report” which took the responsibility of vehicle replacement from the independent rural stations to HRM. To deal with the problems the focus was firstly to repair the equipment and secondly to replace the fire apparatus that was not cost-effective to repair.

In the 2001 Fleet Survey, 36 out of 93 units had serious problems from overweight to improper equipment or maintenance issues. Since that time all but two of the vehicles with outstanding deficiencies have either been repaired or the vehicle has simply been replaced. The last two vehicles have been made operational with limitations; these last two overweight trucks will be corrected this year at a cost of approximately \$10,000 per vehicle.

*The chart only represents large Fire Apparatus, Aerials, Tankers, Rescues and Air Supply. It does not include small boats, trailers or cars and trucks. Total number of Heavy Apparatus =138.
* Total Fire Fleet is comprised of 271 units.*

The allocation of Heavy Apparatus in 2003 was as follows:

Fire Fleet	Core Apparatus	Rural Apparatus	Total Heavy Fire Apparatus
Heavy Units	45	93	138

DISCUSSION

Over the last three years, Fire Service/Fleet Services have purchased replacement units of which the majority has gone to the rural component of the service. The fleet condition has gone from fair to good but the job is not yet complete. There are still 23 heavy units that require replacement as they have surpassed the goal of 20 years old. There are currently no units that are held out of service in the Rural Fire Fleet for operational reasons as were found in the Fleet Survey 2001.

The replacement schedule has favoured Rural Fire Fleet over Core Fleet as the condition of the fleet dictated those vehicles in the greatest need of replacement. The fleet size or total number has not grown but there have been 39 heavy units replaced as identified in the attached chart. This includes the 14 units that have been ordered and are being built. The last unit is scheduled to arrive in December 2006.

Units replaced through Capital Budget	Core Apparatus	Rural Apparatus
2003 - 2006	13	26

Fire Services/Fleet Services have worked on common specifications for Fire Apparatus. This initiative has gone a long way in creating a common vehicle that can be moved as situations dictate. It also allows for better pricing and easier service and maintenance of the vehicle. The benefits also go further to less training required, ease of operation, and a consistency of performance and equality between the stations. This has helped to remove the perception that the Rural Fleet is a lesser service.

Although a large number of vehicles have been replaced the Capital Replacement Account has not been able to replace all units over 20 years, there are still outstanding vehicle requirements.

Fire Service’s target is to meet the National Fire Protection Association Standard 1901, (Design and Performance) wherein all front-line equipment is used for 15 years and then goes as spare for five years, for a total of 20 years in service, with a maximum of 24 years. HRM does not currently have the resources to meet this provincially-recognized standard; however, we do target a maximum life of 20 years with nothing surpassing the 24-year mark. Unfortunatley the goal is some distance off.

Fire Fleet	Units less than 20 Years	Units Over 20 years	total units
Rural	74	19	93
Core	41	4	45
	115	23	138

* On average each year the Fire Fleet has 7units that reach the end of their 20-year life.

Although the question was raised specifically in reference to Rural Fire Fleet, Fire Services has worked to assimilate the two sections of the service and to address all outstanding issues as it pertains to appartatus, utility vehicles and facilities. This is a huge task that has not been completed and will take funding in excess of what is currently available.

As stated earlier there have been many units replaced but the job is not complete. The current Fire Fleet (Full Service) consists of 138 heavy fire apparatus and 133 Utilities, the target age for Utilities is set at 15 years. (Utilities are boats, light trucks, rescues, air supplies etc.)

To achieve the targeted 20 and 15 year maximum life, HRM would have to budget for a funding level of over \$10 M this year. This exceeds the \$3.05M currently in the proposed 06/07 budget envelope.

The question is how to deal with the problem. Fire Fleet has 23 Heavy Apparatus and 31 Utilities requiring replacement now, and over the next 5 years there will be 33 more reaching the end of their useful life. To create a plan to deal with the outstanding deficiencies, a 5 year term was used as a base and then a replacement shedule was created for both the Heavy Apparatus and Utility Units as follows:

Heavy Apparatus

The chart below outlines a proposed 5-year replacement plan with the objective in 2011 being:

1. no apparatus over 20 years of age;
2. core and rural are assimilated services;
3. standardized deployment of apparatus between stations resulting in less training requirement and will support rapid response times.

Heavy Apparatus	2006-07	2007-08	2008-09	2009-10	2010-11
# of units over 20-year age	23	13 + 7 = 20	10 + 7 = 17	7 + 7 = 14	4 + 7 = 11
Annual Required Replacements Plan	10	10	10	10	10
Outstanding Requirement	13	10	7	4	1
Estimated Replacement Cost *	\$4.0M	\$4.0M	\$4.0M	\$4.0M	\$4.0M

* Assumptions:

- (1) current fleet of 138 units requires approx. 7 replacements every year due to aging (cost \$2.8M);
- (2) each unit averages \$400K (excluding inflation and industry price escalation).

Fire Utility Fleet

The chart below outlines a 5-year replacement plan with the objective in 2011 being:

4. no utility over 15 years of age;
5. core and rural are assimilated services;
6. standardized deployment of apparatus between stations resulting in less training requirement and will support rapid response times..

Fire Utility	2006-07	2007-08	2008-09	2009-10	2010-11
# of units over 15 year age	31	18 + 9 = 27	14 + 9 = 23	10 + 9 = 19	6 + 9 = 15
Annual Required Replacements Plan	13	13	13	13	13
Outstanding Requirement	18	14	10	6	2
Estimated Replacement Cost *	\$650k	\$650k	\$650k	\$650k	\$650k

* Assumptions:

- (1) current fleet of 133 units requires approx 9 replacements every year due to aging (cost \$450K);
- (2) each unit averages \$50K (excluding inflation and industry price escalation).

BUDGET IMPLICATIONS

There are no budget implications from the information presented in this report

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

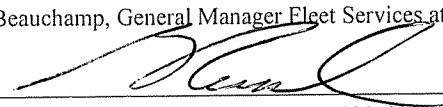
This report complies with the Municipality’s Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no recommended alternatives.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Paul Beauchamp, General Manager Fleet Services at 490-6604

Financial Review : 
Gordon Roussel, Financial Consultant at 490-6468