



The Corporation of the City of Courtenay

# Staff Report

**To:** Council

**File No.:** 5335-20

**From:** Director of Infrastructure and Environmental Engineering

**Date:** July 30, 2025

**Subject:** East Courtenay Fire Hall – Project Update

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## PURPOSE:

To provide an update to Council on the East Courtenay Fire Hall project status and seek direction to proceed with the detailed design of the fire hall. Staff are also seeking direction to submit a grant application for the Union of British Columbia Municipalities (UBCM) 2025 Strategic Priorities Fund – Capital Infrastructure Stream in order to provide funding for the construction of the project.

## BACKGROUND:

Since 2005, the City has recognized the increasingly inevitable need for a new fire hall on the east side of its fire protection district. Development of this facility is driven by life safety requirements, development pressures, population growth, and the need to maintain adequate service levels.

At a 2012 Council meeting, Council considered a report that recommended further exploration and consideration of the development of an east side fire hall. In 2014, City Council adopted a phased approach to address fire safety needs, planning to develop a scenario-based fire training ground first, followed by the construction of the East Courtenay Fire Hall.

In 2015, a staff report was presented to Council, including a Fire Underwriters Survey conducted to evaluate the City's fire protection resources and programs in relation to insurance grading. The survey findings, while generally favourable, specifically recommended the establishment of a new fire station in East Courtenay as a means of optimizing resource allocation and potentially improving fire insurance grades through enhanced response times.

The East Side Fire Hall remained in the City's annual Financial Plans, with capital costs being moved further into the future through the annual financial planning processes. During the 2023 Financial Plan, Courtenay Council reaffirmed the need for this facility to support the efficient and effective delivery of the City's first responder fire service and added the project to the Five-Year Financial Plan. Direction to proceed with conceptual design and the potential to accommodate colocation with potential partners was given. It is noted that conceptual designs contemplated partnership, but notwithstanding the City's best efforts, funding commitments and an agreement to partner were unable to be secured.

Given the service and response requirements for the East Side Fire Hall as well as current and anticipated development levels prescribed for the City by provincial legislation, staff are now recommending to proceed with design and construction for a standalone fire hall.

## **DISCUSSION:**

The East Courtenay Fire Hall will include two double-length, drive-through apparatus bays, with provisions to accommodate a third bay in the future to support long-term operational growth. In addition to space for administration and fire suppression crew support functions, the facility will include dormitory-style rooms for firefighters on shift, a health and wellness room, a training room, washrooms, and dedicated personal locker space for paid-on-call firefighters. A designated decontamination area will also be incorporated to allow firefighters to remove and clean contaminated gear and equipment upon returning from emergency responses. This space will help limit the spread of carcinogens and other hazardous materials into the living and administrative areas of the building, supporting firefighter health and safety.

Located within a mixed commercial and industrial area, the East Courtenay Fire Hall is not intended to be a high-profile or flagship facility. Rather, it will be a functional, durable, and modestly scaled building that aligns with industry best practices and supports long-term serviceability. The Dashwood Fire Hall in Electoral Area G of the Regional District of Nanaimo has recently completed construction and is fully operational. This fire hall will be used as the basis for design, as it is very similar in form and function to the East Courtenay Fire Hall. Images of the Dashwood Fire Hall are included as Attachment 1.

While the design will remain cost-effective and operationally focused, it is also important that the facility includes features that instill a sense of pride in our volunteer firefighters. A well-considered and respectful design will contribute to recruitment and retention efforts by reinforcing the value of their service and fostering a positive work environment.

### Project Schedule

The proposed project schedule, illustrated in the Gantt chart below, indicates that construction of the second fire hall is set to commence in 2026. Dashwood Fire Hall provides a valuable reference project, and its design will be used as a basis for the East Courtenay Fire Hall. Drawing on Dashwood's layout, materials, and functional elements should provide efficiencies, particularly in early planning, identifying proven design strategies, and informing discussions with the consultant team. However, the East Courtenay Fire Hall will require a site-specific design, including consideration of ground conditions, geotechnical conditions, site servicing infrastructure and updated code requirements.

A Request for Proposals (RFP) is currently underway to select an architect and supporting design team for this project. The RFP period is set to close in August with proposal evaluation and contract award to follow.

The project will be delivered using a Construction Management (CCDC 5B) contract model. This approach was selected to allow for early involvement of the contractor's construction manager during the design process, which will support more practical and cost-effective decision-making as the design progresses. It also provides improved budget control by refining costs in parallel with design development. One of the key advantages of this model is the ability to start portions of construction earlier—such as site preparation and servicing—before the full design is complete, which will help reduce overall project schedule.

Task	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	2026 Q4	2027 Q1	2027 Q2	2027 Q3	2027 Q4
Procurement										
Design / Cost Estimating										
Communications										
Construction										

### Benefits of the project

Listed below are the benefits of a fire hall located in East Courtenay:

- **Improved Emergency Preparedness:** Provides a backup facility and equipment on high ground, east of the river, for use during major events like earthquakes or floods. Improves volunteer firefighter response and apparatus access to emergency scenes during such events.
- **Faster Response Times:** Reduces response times to East Courtenay and contracted areas north of the city, where over 50% of the population and structures are located, minimizing fire loss risk. Caters to future development, which is expected to be primarily in East Courtenay.
- **Equal Fire Protection:** Ensures equitable fire/rescue services for all Courtenay residents, with 50% of the population residing east of the river. Provides consistent and equal fire response capacity to properties on both sides of the river.
- **Mitigation of Building Code Restrictions:** Addresses building code restrictions imposed on East Courtenay developments outside the 10-minute response time. Avoids the need for expensive mitigation measures like sprinkler systems, increased setbacks, and fire-resistant materials.
- **Lower Insurance Rates:** Positively impacts commercial property insurance rates, which are affected by distance from a fire hall and response times exceeding 10 minutes.
- **Enhanced Volunteer Recruitment & Retention:** Expands the pool of potential volunteer firefighters by enabling recruitment from East Courtenay, where a significant portion of the population now resides. Helps maintain a robust volunteer fire service.
- **Independent of Future Fire Service Model:** The decision to transition to a full-time fire department remains with the City Council and is independent of the construction of the satellite station.

The following risk considerations associated with not proceeding with the East Courtenay Fire Hall have been identified:

- **Increased Vulnerability:** Concentrating all fire rescue equipment on the west side of the river, with only two bridge crossings, leaves the east side vulnerable, especially during emergencies.
- **Impaired Emergency Response:** Bridge closures and access restrictions during flood events, as seen in 2009, 2010, and 2014, severely hamper fire response capacity to the east side.
- **Worsening Response Times:** Increasing traffic congestion will further exacerbate response time challenges to incidents east of the river.
- **Limited Mutual Aid Reliability:** While mutual aid agreements exist, they have limitations. Comox Fire Department faces daytime volunteer firefighter availability challenges and prioritizes its own protection area during major emergencies. 19 Wing Comox's assistance is contingent upon flight schedules and their own needs.
- **Higher Insurance Rates:** Commercial properties in East Courtenay face higher insurance premiums due to their distance from the existing fire station and longer response times.
- **Building Code Restrictions:** Building Code changes impose restrictions on developments outside the 10-minute response zone, increasing construction costs and potentially hindering development.

#### **POLICY ANALYSIS:**

The City of Courtenay's Official Community Plan (OCP) identifies East Courtenay as a key area for residential and commercial growth over the coming decades. With the population in East Courtenay expected to increase significantly, the OCP calls for the timely provision of public infrastructure to support this growth and maintain a high standard of liveability and public safety.

The construction of a second fire hall in East Courtenay directly aligns with this vision and addresses several strategic objectives outlined in the OCP. First, it supports equitable delivery of emergency services across the community, recognizing that close to half of Courtenay's population now resides east of the Courtenay River. Second, it ensures that fire suppression and rescue services remain within acceptable response time standards, particularly the 10-minute response threshold used in Fire Underwriters Survey (FUS) grading and referenced in the BC Building Code. This is particularly important in mitigating insurance risk and maintaining public confidence in emergency preparedness.

Furthermore, the proposed location at 220 Waters Place strengthens the City's overall resilience by improving access to critical infrastructure in East Courtenay, including the Comox Valley Hospital, North Island College, and nearby commercial and residential developments. It also provides operational redundancy in the event of a natural disaster that could impact the City's two bridge crossings.

The BC Building Code requires that buildings outside of a 10-minute fire response time have additional fire suppression requirements, which can result in higher costs for housing construction. Insurance premiums are often higher for property owners outside of the 10-minute response time. A fire hall in East Courtenay

will enable housing choices in this portion of the city that are more affordable, healthy, green, and appropriate for diverse needs, life stages, and aspirations.

The East Courtenay Fire Hall will help the Fire Department meet current and future community needs.

#### **FINANCIAL IMPLICATIONS:**

The Dashwood Fire Hall in Electoral Area G of the Regional District of Nanaimo has recently completed construction and is fully operational. This fire hall would be considered as having a more functional design and is the type of fire hall design that will be pursued due to its low cost and efficient form and construction.

The Dashwood Fire Hall is approximately 11,840 square feet and cost approximately \$7.4M to build, which equates to about \$623 a square foot and was built to the 2018 BC Building Code (BCBC).

Using 10% inflation to project a revised price per square foot cost results in an estimate of \$686 per square foot as a starting point for the basis of the estimate. Using cost estimating methodologies of previous cost estimates, a rough order of magnitude cost estimate is shown below.

Item	Values	Percentages*
Courtenay Square Footage	11,840	
Estimated Square Foot Price	\$686	
Subtotal	\$8,116,900	
Location Factor	\$746,755	9.20%
General Requirements	\$649,352	8%
Fees	\$243,507	3%
Sub-Total- Excl. Contingencies	\$9,756,514	
Design and Pricing Allowance	\$1,463,477	15%
Construction Allowance	\$405,845	5%
Total Construction Estimate	\$11,625,836	
Soft Cost	\$2,325,167	20%
Estimated Total	\$13,951,003	

\*Percentages provided by Hanscomb Quantity Surveyors

It is expected that the size of Dashwood Fire Hall would also meet the needs of the East Courtenay Fire Hall, but there would be differences between the projects. The operational needs and functional programming of the fire hall need to be designed to meet the requirements of the Courtenay Fire Department. The East Courtenay Fire Hall would be constructed to the 2024 BC Building Code (BCBC). The 2024 BCBC introduced significant updates to energy efficiency standards, enhanced seismic design requirements and improved standards for accessibility.

In the 2025-2029 Financial Plan, the Fire Hall construction was budgeted in 2026 at \$23M and is funded by debt and Growing Communities Funds. This amount was based on a previous design that is no longer relevant. The new design (which does not include partner floor area) will be smaller and have more functional components, and will be a lower cost than this previous estimate. An updated, Class D Cost estimate will be included in the 2026-2030 financial planning process.

### Funding Sources

In the 2025-2029 Financial Plan, the Fire Hall construction is funded through a combination of Provincial Growing Community Funds (\$1,967,800) and borrowing. Elector approval is not required as the amount of debt required is within the approval-free liability zone within the Municipal Liabilities Regulation. This permits a municipality to take on debt without being required to seek electoral approval.

The 2025-2029 Five-Year Financial Plan Bylaw currently contains \$2,012,500 in annual debt servicing costs at a 5% interest rate over a 20-year period commencing in 2026 at 50%. Municipalities have the ability to pay off debt over a maximum period of 30 years, which would reduce the estimated annual debt servicing costs down to \$1,725,000. Debt payments will not commence until the project is complete, and therefore it is anticipated that debt costs will not commence until 2027 or 2028. The 2026-2030 Financial Plan will be updated with new construction and borrowing figures when available.

### Strategic Priorities Fund Grant Application

The Strategic Priorities Fund (SPF) is providing funding streams delivered through the Canada Community-Building Fund (CCBF) in British Columbia, formerly known as the Gas Tax Fund.

The SPF-Capital Infrastructure stream provides grant funding specifically targeted for the capital costs of local government infrastructure projects that are large in scale, regional in impact, or innovative and support the national objectives of productivity and economic growth, a clean environment and strong cities and communities, with up to \$119M available funding. Fire halls are specifically noted as an eligible project category. The maximum contribution amount for this grant is \$7M.

Grant applications must include a Council resolution indicating support for the proposed activities and a willingness to provide overall grant management and support any cost overruns. Staff are requesting a Council resolution to support this grant application, which is included in the recommendations below.

### **ADMINISTRATIVE IMPLICATIONS:**

This project has been a collaboration between the Courtenay Fire Department and the Capital Projects Division of Infrastructure and Environmental Engineering.

A team of experts, including architects, engineers, and communications consultants with technical knowledge specific to this work, will be utilized to develop the design of the fire hall.

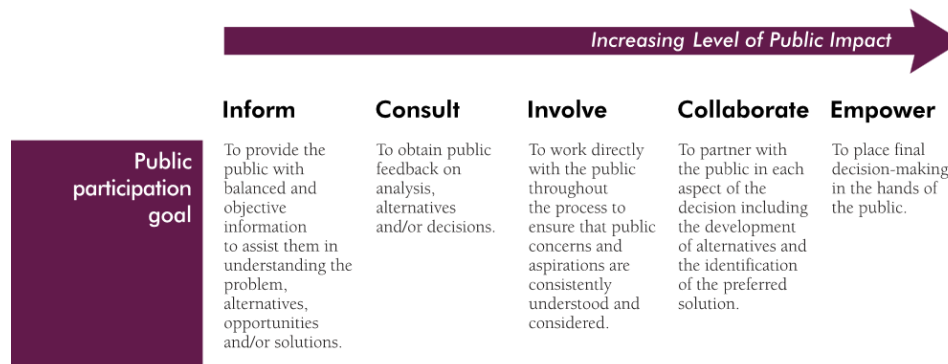
### **STRATEGIC PRIORITIES REFERENCE:**

This initiative addresses the following strategic priorities:

- Public Safety - East Side Fire Hall: Update design and consider potential partnerships
- Public Safety - Build capacity for emergency planning and local response
- Public Safety - East Side Fire Hall: Construction

## PUBLIC ENGAGEMENT:

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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Recognizing the importance of this project to support public safety for the residents of Courtenay and the properties served through the Courtenay Fire Protection District in the Electoral Areas, as well as the continued growth and development of the City in accordance with the Official Community Plan and Provincial Housing legislation, communications tools to share the project with the community will be undertaken and included in the budget for this project, with the support of City communications and consulting resources.

## OPTIONS:

### Resolutions to be made separately:

#### Option 1:

THAT Council direct staff to proceed with design of the East Courtenay Fire Hall; and,

THAT Council direct staff to submit a grant application for the East Courtenay Fire Hall to the UBCM Strategic Priorities Fund and confirm that Council supports the project, and is willing to provide overall grant management, and support any cost overruns. (Recommended)

#### Option 2:

THAT Council direct staff not to proceed with detailed design of the East Courtenay Fire Hall.

## ATTACHMENTS:

### 1. Dashwood Firehall Images

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