



Regional Board Report

TO: Regional Board

FROM: David Komaike
Director of Engineering Services

DATE: November 22, 2021

SUBJECT: Central Okanagan Search and Rescue – Capital needs and funding analysis

Voting Entitlement: *All Directors – Unweighted Corporate Vote – Simple Majority – LGA 208(1)*

Purpose: To present the Regional Board with a capital needs and funding analysis report regarding the building needs assessment for the Central Okanagan Search and Rescue.

Executive Summary:

At the September 9th, 2021, Governance and Services Committee Meeting, the Regional Board received a Building Needs Assessment Report from the Central Okanagan Search and Rescue (COSAR). The report, prepared by Urban Systems on behalf of COSAR, identified deficiencies in the existing COSAR facility. The report outlines the condition of the existing building; the challenges housing current equipment; and the need for improved training/meeting rooms/washroom facilities. The study outlined the COSAR's desire to secure a facility with centralized equipment storage and a centralized location to improve response times.

The Regional Board requested that Administration bring forward a more detailed analysis of capital funding options available to support COSAR. This includes a review of the financial impact of including COSAR in the Regional Rescue Program, grant funding opportunities and the Alternative Approval Process.

The Regional Board, September 9th resolution:

THAT the Governance and Services Committee, receives for information, the Central Okanagan Search and Rescue's Building Needs Assessment Report;

AND THAT a capital needs and funding analysis report be prepared and presented to the Regional Board for consideration within the next two (2) months.

Administration has prepared a preliminary report which provides a “Road Map” or steps required should the Regional Board wish to move forward with providing capital assistance to COSAR.

RECOMMENDATION:

THAT the Regional Board support, in principle, contributing funding for an improved facility for the Central Okanagan Search and Rescue society;

AND THAT the Regional Board direct staff to work with member municipalities, electoral areas, First Nations and the Central Okanagan Search and Rescue society to identify options for an improved search and rescue facility within the Central Okanagan.

Respectfully Submitted:



David Komaike
Director of Engineering Services

Approved for Board's Consideration



Brian Reardon, CAO

Attachment(s): RDCO Letter Patent – Regional Rescue Service
RDCO GIS – COSAR Incident Mapping and Analysis
COSAR Building Needs Assessment

Implications of Recommendation:

Organizational: COSAR and the Regional Rescue Program work cooperatively to provide first responders and technical rescue service within a defined scope.

Financial: The RDCO provides a grant to COSAR to assist with operational needs

Legal/Statutory Authority: The RDCO and its member municipalities have the authority to add new or to expand services to its residents. LGA Chapter 1; Part 10; Section 332 (1)

Background:

The RDCO (via the Regional Rescue Program) provides a Technical Rescue Program, delivered by area Fire Departments (as First Responders) and managed by the Kelowna Fire Department. The Technical Rescue Service provides rapid response to specialized and often complicated rescues across the region. The service consists of multiple disciplines which are grouped together as they use similar equipment and trained personnel to affect these types of rescues.

Central Okanagan Search and Rescue (COASR) is a non-profit organization, primarily funded by the province and through grant funding, manned by volunteers operating within the RDCO. It functions primarily as a community resource in assisting in a variety of Search and Rescue functions. COSAR resources are not first responders and are mainly tasked out to respond by the RCMP when required, but may also be tasked by Fire Services, BC Ambulance Services or the Coroner.

At the September 9th, 2021 Governance & Services Meeting of the Regional District, COSAR presented the results of a Building Needs Assessment Report recently completed by Urban Systems. The report outlines the deficiencies in COSARs existing facility; the operational challenges and provide several possible solutions/recommendations which could be implemented

over the next 3-8 years. The report provided a high level “D” cost estimated for these solutions which did not include any allowance of land purchase, acquisition or development costs. A Level “D” cost estimate is used for preliminary discussions and long-term planning with a $\pm 50\%$ contingency.

COSAR has confirmed that they are seeking financial assistance from the Regional District to find a new facility. This could be in the form of a new building; a new location, such as the reuse of an old fire hall; or a commercial building lease.

COSAR has also confirmed that they do not require additional operating funds to support its operations at this time. Their need is for capital funding to construct/purchase/lease a suitable building.

The Regional Rescue Program

Services Offered

The Regional Rescue Program was created in March/1989 via an amendment to the RDCO Letters Patent. The letters patent outlines the function to be undertaken:

“... The Regional District of Central Okanagan may provide regional rescue service, which includes search and rescue, attending hazardous chemical spills and vehicle accidents, and assisting the Provincial Emergencies Program.”

In addition, the Regional District also has authority under Chapter 1; Part 10; Section 332 (1) of the Local Government Act, to operate any service that the board considers necessary or desirable for all or part of the regional district.

Currently, the Regional Rescue Program offers the following services to the area:

Auto Extrication	Hazardous Materials Response
Ice Rescue	Marine Rescue
Swift Water Rescue	Radio System
Low Embankment Rescue	Emergency Program Management
Technical High Angle Rope Rescue	Regional Fire Dispatch
Confined Space Rescue	

Funding Levels

The Letters Patent also outline the maximum funding available for the program:

“The annual net cost attributable to this function shall be apportioned among the participating member municipalities on the basis of the net taxable value of land and improvements for the regional hospital district tax purposes and shall not exceed the product of 50 cents per thousand dollars on the assessed value.”

The following table summarizes the approved 2021-2025 Capital and Operating Budget for the Regional Rescue Program; the predicted assessment value (including growth); anticipated maximum funding (based upon \$0.50/\$1,000 assessment); and net funding available to fund growth or other activities.

The average dwelling value in 2020 was \$734,000 and a 2% annual growth in assessment has been assumed to estimate for the “Cost to Average Dwelling” of the current Regional Rescue

Program. While the increase in the average dwelling assessment will exceed this 2% growth, this should be offset by the corresponding increase to the Total Assessment.

Table 1 – Estimated Budget Impact of Current Regional Rescue Program						
Budget Year	Budget Amount	Budgeted Assessment Rate	Estimated Total Assessment	Maximum Funding Available	Net Funding Available	Cost to Average Dwelling
		\$/ \$1000		\$0.50/\$1000		
2021	\$2,471,170	0.04050	\$61,016,543,210	\$30,508,272	\$28,037,102	\$30.32
2022	\$2,727,622	0.04430	\$61,571,602,709	\$30,785,801	\$28,058,179	\$33.83
2023	\$2,784,493	0.04470	\$62,292,908,277	\$31,146,454	\$28,361,961	\$34.82
2024	\$2,847,225	0.04530	\$62,852,649,007	\$31,426,325	\$28,579,100	\$35.99
2025	\$2,906,199	0.04580	\$63,454,126,638	\$31,727,063	\$28,820,864	\$37.12

The COSAR Program

COSAR

Registered non-profit organization.

Runs on volunteers – 52 members, are not paid for their service.

One of 80 SAR groups. Third busiest in the province.

Responds to over 80+ tasks per year, 20,000+ hours training, admin, logistics, services equipment, fundraising and community service.

Services Offered

COSAR offers the following services to support Search and Rescue operations:

Urban/Wilderness Reach	Basic First Aid/EMR
Sustained Marine/Underwater Search	Access to H.E.T.S. Response (Helicopter)
Tracking	Civil Emergency Logistical Support
Technical Rope Rescue	Swift Water Rescue
Avalanche Rescue	Snowmobile, eBike and ATV teams
Wilderness Rope Rescue (Search Access and Recovery)	

COSAR works closely with the RDCO – Technical Rescue Program (via the Regional Rescue Program) whereby both groups use similar equipment and trained personnel. The main difference between the two programs relate to the speed and duration of any response.

The Technical Rescue Program is staffed largely by fulltime emergency responders and can respond rapidly to any event, particularly when the location of the victim is known or easily determined.

COSAR can provide a sustained response and access a much boarder area within remote areas or when the victim location is remote or unknown. COSAR has access to additional provincial resources to support extraordinary activities. COSAR is the lead agency in most situations for anything outside of the Fire Protection Area even though it is still within the RDCO.

COSAR Funding

In 2021, the RDCO provided COSAR with an operating grant of approximately \$27,000 (less utilities). Improvements and repairs to the building fall to the lease holder, which is the RDCO.

COSAR receives Provincial funding for specific equipment and training. These funds cannot be directed towards facilities. The majority of the funding for COSAR in 2020 came from the province as a result of responses or “Tasks” (\$180K - EMBC) and grants/donations (\$110K - BC-SARA, BC Gaming).

In 2020 COSAR had capital assets is excess of \$800,000 which included boats, vehicles and equipment. After expenses, the society had \$21,000 in surplus funds remaining, not enough to support a new facility.

COSAR/Regional Rescue Interagency Framework

The British Columbia Emergency Response Management System (BCERMS) provides a framework for a standardized emergency response in British Columbia and ensures a coordinated and organized response to all emergencies, especially when multiple agencies are involved. BCERMS outlines the concept of a ‘lead agency’ and ‘supporting agencies’ depending on the type of event:

Incident Type	Regional Rescue Program Role	COSAR Role
Rope Rescue	Lead Agency – rapid response, search and rescue of victims where their location is known or can be estimated	Support Agency – deployed when sustained action response, additional resources required, or victim location cannot be quickly determined. Transition to lead role as determined by incident commander.
Swift Water Rescue	Lead Agency – rapid response, search and rescue of victims where their location is known or can be estimated	Support Agency – deployed when sustained action response, additional resources required, or victim location cannot be quickly determined. Transition to lead role as determined by incident commander.
Marine Rescue (Okanagan, Wood, Duck and Kalamalka Lakes)	Lead Agency – rapid response, search and rescue of victims during early stages of response.	Support Agency – deployed during extended search, additional resources required, or specialty equipment required. Transition to lead role as determined by incident commander.
Marine Rescue (All other minor lakes)	No Response	Lead Agency – search and search of victims, extended search or

		specialty equipment required under the direction of the RCMP.
Missing Person	Support Agency – Standby to provide assistance (rescue) as required. Emergency Program (EOC) may provide site support as requested.	Lead Agency – coordinate and execute the search for missing persons under the direction of the RCMP.
Confined Space Rescue	Lead Agency – rapid response, search and rescue of victims during early stages of response.	No Response – available for support as directed by the RCMP.
Ice Rescue	Lead Agency – rapid response, search and rescue of victims during early stages of response	No Response – available for support as directed by the RCMP.

The Current Location/Building

COSAR currently occupies the old two-bay City of Kelowna – Ellison Fire Station located at 4680 Old Vernon Road. The total square footage of all buildings and storage is approximately 3900 sq. ft., which includes the firehall, Quonset, and sea-can.

The City leases the building to the RDCO who in turn subleases the facility to COSAR for \$1.00. Leasehold improvements fall to the leaseholder. The facility has 3 years remaining in the current lease with an option for an additional 5-year extension. The facility is nearing the end of its useful and economic life. Upgrades or additions to the existing structure would be difficult as it would be required to meet current BC Building, Electrical and Plumbing Codes. These renovations would not add the required additional office, training or storage space and further structures/additions would be needed.

The Urban Systems Needs Analysis report identified twelve potential steps to address short-term (0 to 5 Years) needs including:

Secondary secure high bay storage space for lease to house various pieces of equipment.

A temporary metal building that could be moved to the eventual permanent site.

An existing building that could be repurposed and leased for COSAR facilities.

Construct a new site that consolidates storage area and provides adequate meeting, office and washroom space for existing membership and functions.

Staff have not fully investigated the 12 potential short-term solutions identified in the Urban Systems Report but has focused on options which could be readily costed and presented to the Regional Board.

The Future Location

GIS Profile

COSAR has provided the RDCO with the GIS information related to the distribution of calls received. (Reference Appendix A) The GIS information was reviewed to determine the relative

distribution/frequency of calls and the response routes to determine the suitable locations for a facility as it relates to minimization of travel distance historical response locations. While it's impossible to determine the location of the next response, history does provide valuable information on areas in which people, and hence resources, may be needed. 3 different response Scenarios were prepared:

Scenario 1 – two locations: Kelowna Central/Ellison Fire Hall

Scenario 2 – one location: Kelowna Central

Scenario 3 – three locations: Kelowna Central/Lake Country/Joe Rich

Based upon the initial review it appears that Scenario 2- Kelowna Central would be the preferred option, closely followed by Scenario 1. Further, with the majority of volunteers concentrated in the Kelowna area, this lends additional support for a more centralized location to improve response times to the facility. COSAR response times is one of many criteria that would need to be considered in the selection of any location.

Option A – New Construction - Existing Location

COSAR currently occupies the old City of Kelowna – Ellison Fire Station located at 4680 Old Vernon Road. The old two-bay Firehall and Quonset hut are leased to the RDCO and subleased to COSAR for \$1.00. This property is approximately 1.0 acre in size and would meet the minimum size required as outlined in the Needs Assessment Report but may limit future growth if not properly managed. With that in mind, the building design may need to be more compact, with offices and training areas located above equipment storage areas, similar to the facility proposed for the North Okanagan Search and Rescue. A new building, parking and ancillaries could be accommodated on the 1.0 acre lot.

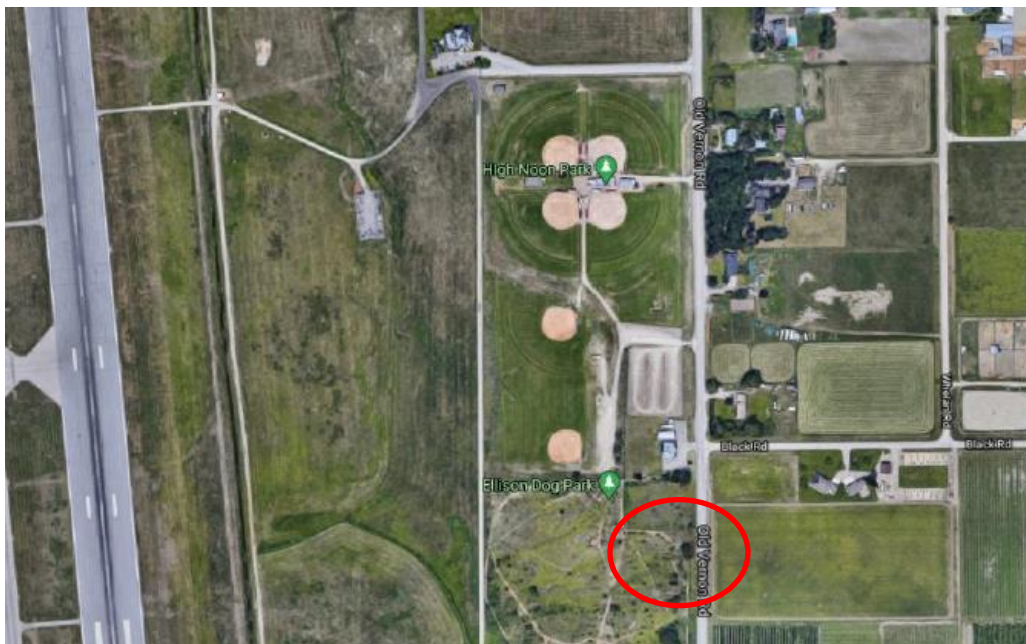


Figure 1 – Existing COSAR Location

The Airport YLW Master Plan 2045 identifies a large area along the east side of the airport, including the COSAR site, for future Airside Commercial use. The Airport Land Use Plan - in the YLW Master Plan shows the area designated for Airside Commercial. The Master Plan shows the land is also located within the Agricultural Land Reserve (ALR), and while the Master Plan

recommends the City seek exclusion from the ALR, being located in the ALR could present complications for building a new facility. If the land is still in the ALR when COSAR would need to build a new facility, it would be subject to approval by the Agricultural Land Commission as a non-farm use.

While the site is currently serviced (utilities/water/septic field) all existing infrastructure and services would require upgrading/replacement. In addition, the property would require fill to correct drainage and grading concerns. Site preparation and servicing are estimated at \$250-\$300,000.

This site is not COSAR's preferred location for a new facility due to the longer response times for its members to and from the site.

Option B – New Construction - New Location – Light Industrial

The challenge facing anyone looking for light industrial land in the Central Okanagan is the lack of available inventory. Currently, there are only two large tracks of land that “may become” available in the future. These are located near the Kelowna Airport and in West Kelowna. The rough market value for light industrial land is \$2,200,000/Acre. The approximate size required to develop the ideal new facility is 1.2 Acres with an estimated raw land value of \$2,640,000. Based upon current market trends, light industrial land is increasing in value by more than 10% per year.

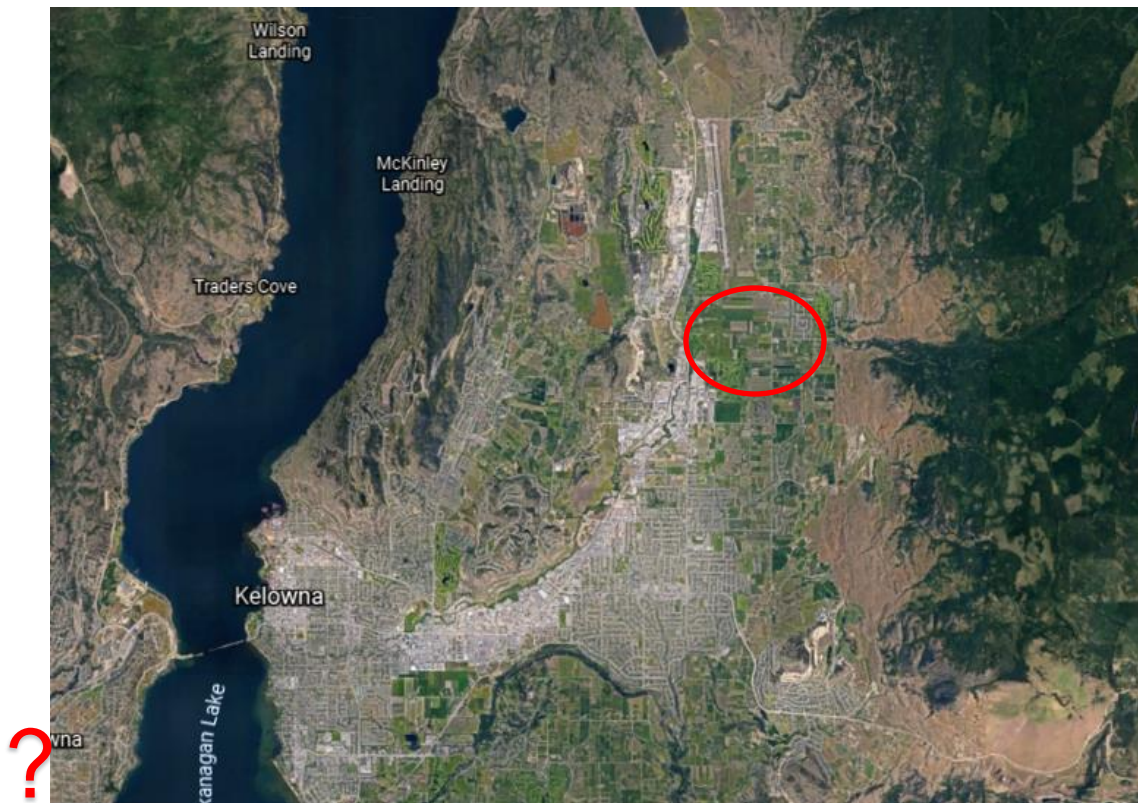


Figure 2 – New COSAR Location - Kelowna Airport & West Kelowna Light Industrial

A new location near the west end of the Kelowna Airport could result in a minor reduction in the response times for COSAR membership to and from any proposed new facility. A fully serviced property could be sized to accommodate current demands and future growth of the organization.

Site development costs should be lower as off-site services would be available at the property line and the amount of fill needed should be substantially reduced.

A new location in West Kelowna would create additional travel delays for the majority of current COSAR members as most reside on the east side of the Bennett Bridge. While the site has the flexibility to meet the current and future growth of COASR, the location may present a significant concern due to increase response times.

Both the Kelowna and West Kelowna locations are not currently being actively marketed and are being held by the developers. They are open to exploring development opportunities and partnerships.

Option C – New Construction - New Location – TBD

Administration has not completed a detailed review of RDCO owned properties, such as the Ellison Fire Hall/Community Centre or RDCO Administration Complex. The construction costs for a building, would remain relatively consistent notwithstanding the final location chosen. The Board, in conjunction with our Regional partners, would need to determine if a suitable location is available.

Building Needs Assessment – Refined Cost Estimate

The COSAR Needs Assessment Report identifies the ideal building as having 6 bays (6,000 sq. Ft.) and 3,500 sq. ft. of office and meeting space. The report is the first step in a long process which will hopefully result in the organization moving to a new facility/location within the next 3-8 years. The schematic designs presented in the report are purely for discussion and preparation of Class D cost estimates. While detailed designs will provide a more accurate cost estimate, they are highly dependent upon a specific site, once selected.

Building Cost Estimate

Administration has worked with COSAR and the development community to refine the Class D cost estimate for the building to reflect 2021-23 construction values. Not including the cost of land, the refined estimated construction value of the project is approximately \$4.76 million (2021) or \$5.82 million (2023). This cost includes \$2.19 million in costs excluded in the Total Project Cost presented in the COSAR Needs Assessment Report.

Total Project Cost	
	Plus 25%
Class D Estimate of Total Project Costs (-10% to +25% 18 times out of 20)	\$ 3,633,072.50
Ancillary building costs	\$ 2,190,296.03
Total Project Cost	\$ 5,823,368.53

Based upon \$5,823,000 – the annual debenture payment would be \$344,000 for 25 years at 2.88% or approximately \$4.14 per average dwelling. A sensitivity analysis shows a decrease of \$14,558 (\$0.18 per average dwelling) in debt servicing costs for every rate decrease of twenty-five basis points.

Table 2
Estimated Budget Impact on Regional Rescue Program – COSAR Funding Request
(Building Only)

Budget Year	Budget Amount Regional Rescue Program	Budget Amount COSAR	Adjusted Budgeted Assessment Rate \$/ \$1000	Cost to Average Dwelling Regional Rescue Program	Cost to Average Dwelling COSAR	Estimated Total Cost per Average Dwelling
2021	\$2,471,170	\$0	0.04050	\$30.32	\$0	\$30.32
2022	\$2,727,622	\$344,000	0.04989	\$33.83	\$4.27	\$38.10
2023	\$2,784,493	\$344,000	0.05022	\$34.82	\$4.30	\$39.12
2024	\$2,847,225	\$344,000	0.05077	\$35.99	\$4.35	\$40.34
2025	\$2,906,199	\$344,000	0.05122	\$37.12	\$4.39	\$41.51

Building and Land Cost Estimate

Similarly, Administration has reached out to local realtors to refine the estimated cost to purchase land for the project. The uncertainty of inventory coupled with the extended timeframe for a possible land purchase makes estimating the value a significant challenge. For the purpose of this report, an assumed \$3,000,000 value has been assigned to the land value. The cost of the land and building has an estimated construction value of approximately \$7,760,000 (2021) or \$8,823,000 (2023)

Total Project Cost	
	Plus 25%
Class D Estimate of Total Project Costs (-10% to +25% 18 times out of 20)	\$ 3,633,072.50
Estimated Land costs	\$ 3,000,000.00
Ancillary building costs	\$ 2,190,296.03
Total Project Cost	\$ 8,823,368.53

Based upon \$8,823,000 – the annual debenture payment would be \$521,000 for 25 years at 2.88% or approximately \$6.27 per average dwelling¹. A sensitivity analysis shows a decrease of \$22,058 (\$0.27 per average dwelling) in debt servicing costs for every rate decrease of twenty-five basis points.

¹ Using 2020 average home assessment of \$734,000

Table 3 Estimated Budget Impact on Regional Rescue Program – COSAR Funding Request (Land & Building)						
Budget Year	Budget Amount	Budget Amount	Adjusted Budgeted Assessment Rate	Cost to Average Dwelling	Cost to Average Dwelling	Total Cost per Average Dwelling
	Regional Rescue Program	COSAR	\$/1000	Regional Rescue Program	COSAR	
2021	\$2,471,170	\$0	0.04050	\$30.32	\$0	\$30.32
2022	\$2,727,622	\$521,000	0.05276	\$33.83	\$6.34	\$40.16
2023	\$2,784,493	\$521,000	0.05306	\$34.82	\$6.39	\$41.21
2024	\$2,847,225	\$521,000	0.05359	\$35.99	\$6.46	\$42.45
2025	\$2,906,199	\$521,000	0.05401	\$37.12	\$6.52	\$43.64

Financial Considerations

Administration has reviewed the terms of reference for the Gas Tax Fund as it relates to the eligibility of any proposed COSAR building or land purchase. The project, as considered, does not meet the program eligibility requirements and would not likely be approved. Other grant opportunities continue to be investigated.

In the absence of alternative funding sources, this project would require borrowing, which would require approval of the electors:

Via: Referendum – ‘Assent of the Electors’

LGA Assent Voting – election rules and regulations

Majority of votes counted must be in favour of the bylaw or question

Budget – high

Timeline: approximately 6-8 months

Or Via: AAP – Alternative Approval Process

Conducted through an administrative process

Requires 10% (approx. 20,598) of estimated electors to submit petition opposing the bylaw
Budget – minimal

Timeline: approximately 3-4 months

Funding the estimated annual debt servicing costs for this project would result in a 13 – 20% increase in expenses compared to the 2021 approved budget for Regional Rescue.

The Regional Rescue service function is forecast to have an Operating Reserve balance of approximately \$100K and a Capital Reserve balance of \$100K.

Next Steps – Determination of the Regional Board Support

The first and most fundamental question the Regional Board needs to address is whether to provide capital funding assistance to COSAR. The organization has confirmed that they do not require additional operational funding at this time but need assistance to secure a new facility. Administration believes that the Regional District has the authority via the existing letters patent which established the Regional Rescue Service to assist COSAR.

Administration believes that the Regional District also has authority under Chapter 1; Part 10; Section 332 (1) of the Local Government Act, which states:

“General authority for services

332 (1) Subject to the specific limitations and conditions established under this or another Act, a regional district may operate any service that the board considers necessary or desirable for all or part of the regional district.”

Timelines

COSAR

The Urban Systems Report outlines Short Term (0-5 years) and Mid Term (5-10 years) and Long Term (10-25 years) recommended actions for COSAR.

Short Term Actions:

Leasing of a secondary storage space to consolidate equipment currently stored in various locations (2500 ft² or 4 bays) or the construction of a temporary relocatable steel building.

Development of a fenced storage compound.

Redevelopment of parking areas.

Collect information on the location of callouts for use in a geographic information-based system to identify optimal locations for COSAR facilities.

Identify and evaluate alternative sites to accommodate construction of new consolidated COSAR facilities.

Investigate potential partnerships on a new building

Select a new building site by 2023 or purchase an existing building by 2025

Mid Term Action

Complete construction of a new facility, if constructing a new building.

Secure a long-term lease for an existing building, if moving to an existing building

Secure permanent continuous funding for COSAR operations and building costs through participating jurisdictions.

Long Term

Re-evaluate the future membership numbers and potential need for expansion.

Re-evaluate needs for future expansion on the site occupied at the time.

RDCO

Should the Regional Board resolve to assist COSAR by providing capital funding for a new or existing facility, there are several required legislated actions and optional/recommended steps needed to move forward:

Action	Timeline	Required/Optional
1. Regional Board decision to assist COSAR	March/2022	Required
2. Establishment of a Steering Committee or Working Group (12 months)	2022/2023	Optional
3. Preliminary Site/Building Design (12 months)	2023	Required
4. Borrowing Process (9 months)	2023	Required
5. Alternative Approval Process Or Referendum	2023	Required
6. Final Site Selection/Building Design (12 months)	2023/2024	Required
7. Project Management (12-18 months)	2024/2025	Optional

Organizational Issues

The degree of administrative effort associated with the COASR request has not been considered in the current workplan for the Engineering or Corporate Services Departments. There are currently too many variables and unknowns to accurately estimate the impact on the departments.

External Implications

Should the Regional Board wish to move forward with aiding COSAR, any capital project would require the assistance of our regional partners. The search for a suitable location and/or partnerships would involve an extended consultation process to ensure all available options are investigated.

Alternative Recommendation

THAT the Regional Board receives the Central Okanagan Search and Rescue –capital needs and funding analysis report dated November 22 2021, from the Director of Engineering Services for information.