

MUNICIPALITY OF THE DISTRICT OF LUNENBURG  
Minutes of a Meeting of  
**FIRE AND EMERGENCY SERVICES COMMITTEE**  
Held in Council Chambers, 210 Aberdeen Road, Bridgewater, NS  
**Monday, July 22nd, 2019 – 7:00 p.m.**

**ATTENDANCE**

Brian Keizer, District 1 & 2 Fire Commission, Chair  
Deputy Chief Steve Patterson, Cornwall Fire Department  
Mayor Carolyn Bolivar-Getson (arrived 7.21 p.m.)  
Councillor Wade Carver  
Councillor Martin Bell  
Deputy Chief Dean Schmeisser, Dayspring & District Volunteer Fire Department  
Herbert Seymour, Member-At-Large

Regrets: Councillor Reid Whynot, Vice Chair  
Councillor John Veinot  
Chief Tom Lockwood, Indian Point Fire Department  
David Fancy, Member-At-Large

Staff: Alex Dumaresq, Acting Chief Administrative Officer  
Chris Kennedy, Fire Services Coordinator  
Sandra Challis, Administrative Assistant

**1. CALL TO ORDER**

Brian Keizer called the meeting to order at 7:11 p.m.

**2. APPROVAL OF AGENDA**

**Moved by Deputy Chief Schmeisser seconded by Herbert Seymour that the agenda be approved as circulated. Carried unanimously.**

The Committee took this opportunity to congratulate Councillor Bell on being the recent recipient of the prestigious Lifetime Achievement Award from the Canadian Volunteer Fire Services Association.

**3. Approval of Minutes of May 13, 2019 Meeting**

It was noted that there was a discrepancy under Item 2.2, Election of the Vice Chair, where it incorrectly stated that Chief Patterson had withdrawn his name from the list of nominees, when it had been Chief Lockwood.

**Moved by Councillor Carver, seconded by Councillor Bell that the Minutes of the Fire and Emergency Services Committee meeting of May 13, 2019 be approved as amended to reflect Chief Lockwood as withdrawing from nomination for the position as Vice Chair. Carried unanimously.**

#### 4. Approval of Minutes of June 10, 2019 Special Meeting

**Moved by Deputy Chief Patterson, seconded by Deputy Chief Schmeisser that the Minutes of the Fire and Emergency Services Committee Special Meeting of June 10, 2019 be approved as circulated.**

**Carried unanimously.**

#### 5. Presentation & Discussion – Fire & Department General / Liability Insurance

Alex Dumaresq gave a presentation to the Committee to explain the situation behind the General / Liability Insurance subject.

- Municipal and Fire Service General Insurance had previously been purchased in bulk through UNSM.
- The Municipal Joint Services Board (MJSB) required new insurance, as their existing policy was not serving their needs, and the other local municipal organizations saw an opportunity to jointly procure. The six units are: MJSB, MODL, Fire Services, LCLC, Town of Bridgewater and Town of Mahone Bay
- It was recognized that each of the units had different needs for insurance, with different assets and different exposures for risk. An RFP was issued, based on a hypothetical insurance policy register; trying to standardise where possible.
- Two responses were received, Cowan (the current provider) and BFL. The units agreed they did not have sufficient expertise to provide quality analysis of the quotes, so a consultant, Sigma, was hired to provide a recommendation
- Sigma evaluated the bids based on set of defined criteria, they identified that BFL were slightly better than Cowan from a qualitative standpoint (92/100 compared to 90/100), and BFL were far better than Cowan from a price perspective (\$185,885.00 compared to \$225,180.00 based on the hypothetical coverage). Therefore, they recommended BFL be awarded the contract.
- Sigma did not carry out a comparative analysis with the existing policies, they only considered the hypothetical policy that was part of the RFP.

A spreadsheet was circulated which showed the costs of the premiums split down between Departments based on three different levels of coverage. In most cases, there were savings to the Departments, however, for eight departments an increase in premium cost was shown.

Mr. Dumaresq proposed that the Committee discuss the insurance program in general in order to arrive at a recommendation that would be taken to the Fire Chiefs at the next meeting of the Lunenburg Regional Fire & Emergency Services. Following that, the Committee could have a separate discussion around the insurance grants provided by the Municipality, as there may be value in ensuring that no department pays more in accepting the recommendation. It was recognized that this second discussion could place some of the Committee members in a difficult position in making a decision that would hurt some departments and benefit others and there was no intent to put members in a conflict, or perceived conflict of interest in this matter.

Ed Nix, a representative of BFL was present and explained that he had met with the Insurance Sub-Committee who had been shown that the price provided for the RFP was the “gold standard”.

The Sub-Committee had communicated that the RFP deductible of \$25,000 would not be acceptable to Departments. It was explained that although this is the normal rate for Municipal liabilities, BFL expected that the policy schedule be adjusted in order to obtain the most appropriate coverage for the Fire Departments.

He referred to the spreadsheet which showed the following three options:

	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3 (RFP)</b>
<b>Premium</b>	\$208,223	\$213,553	\$190,275*
<b>Property Deductible</b>	\$5,000	\$2,500	\$10,000
<b>General Liability Deductible</b>	\$5,000	\$5,000	\$10,000

\*Revised rate to original RFP quotation based on updated assets and vehicles register.

The spreadsheet provided a comparison of the new premiums in relation to Cowan's current 2018/19 premium (\$230,341) and showed savings/increases per Department.

Mr. Nix provided a program summary for Options 1 and 2 and also a comparative summary to the current insurance program with Cowan. The highlights of this summary were:

- The Broad Form Coverage on Options 1 & 2 remained unchanged from the RFP. Buildings damaged by flood, earthquake and sewer back-up are covered for replacement cost.
- The deductible for vehicles was the same, \$2,500, regardless of the age of vehicle. Cowan cap vehicles at 25-years and have scaled deductibles based on value - as vehicles are replaced, a higher deductible, \$10,000, would likely apply.
- Vehicle repairs covered for *new* parts and materials replacement
- All vehicles covered for All Perils (Collision and Comprehensive included). It was noted that 4 vehicles/units had no Physical Damage Coverage under the Cowan policy, possibly due to the age of the vehicle.
- Crime Insurance (\$100,000) was also included which among other things covers Social Engineering Fraud - being tricked into giving money away through emails etc. Claims under this section carry a \$0 deductible for theft, however, Social Engineering Fraud carried a \$25,000 deductible.
- Although Officers / Directors Liability Insurance was not specifically included, many of the elements that form this policy, are. This meant that for some Departments, it might not be necessary to purchase separate coverage. (Fire Commissions would likely need to keep a separate policy, as they are governed by different rules).
- Forest Fire Fighting Expense was included, but not relevant in Nova Scotia. In Ontario this is used as protection against the Province making a claim against the Fire Department. There would be no reduction for removing this coverage.

Mr. Nix added that BFL had been provided with a 10-year claims history for the Fire Departments and the premium had been based on this information. During this 10-year period, there had been no liability claims at all for the entire District, so while a \$5,000 deductible seemed high, the likelihood of making a claim would be low. However, there had been a significant number of claims against property, therefore, a lower deductible may be prudent.

Mr. Nix explained that departments that fared better under the new policy did so because they had larger vehicle fleets and/or higher asset values. For departments that showed an increase, this could be because they have a small fleet and/or asset value, for example Big Tancook and Indian Point. Cowan also offered different premiums based on the construction type of buildings, for example Italy Cross benefitted from having a newer ICF building. BFL did not differentiate on structure type, and buildings are all covered using a set rate.

Mr. Dumaresq stated that direction is being sought from the Committee as to which level of coverage is appropriate and added that Staff felt Option 2 would be the best suggestion to put forward to the Fire Chiefs. Chris Kennedy pointed out that claims for bunker gear are becoming more common and a lower deductible would be favourable in this instance.

It was noted that it may be short notice to get good representation from the Fire Departments at the next LRFES meeting.

**Moved by Councillor Bell, seconded by Herbert Seymour that the Fire & Emergency Services Committee recommend the acceptance of the proposal, Option 2, for Fire Department Group Insurance as presented and discussed at F.E.S.C. Meeting July 22, 2019, and further that the insurance program proposal, be presented to the Fire Chiefs for consideration.**  
**Carried unanimously.**

The discussion then turned to Insurance Grants and the following was noted:

- The eight departments with an increase may be reluctant in supporting the motion. By redistributing the savings, this could be almost cost neutral to these departments.
- Not comfortable giving an opinion on this matter – could be seen as a conflict.
- The additional cost to the eight departments is almost \$6,000. There is an insurance grant in place, so it should not be too difficult to create a scenario where no department is seeing an increase.
- It could be possible that departments may overstate their asset value, in order not to lose any of the insurance grant
- It would be a positive side effect if departments were accurately valuing their assets. They would then be receiving an appropriate level of coverage for their assets.
- Grants are there to help people. The reverse matching grant was designed that those with the ability to pay, got less and those without the ability to pay got more. Perhaps something similar could be done with the Insurance Grant.
- If the expanded benefits of the new policy were explained to the departments facing an increase, perhaps they would be happy to pay more.
- Staff should be requested to come back with a proposal, based on the budget already approved, to look at alternative methods of distribution in order to create equality.

**Moved by Councillor Carver, seconded by Councillor Bell that the Fire & Emergency Services Committee direct staff to prepare options for insurance grant distributions so that no department pays more as a result of accepting the recommendation to proceed with the Fire Department Group Insurance, and that this information be included when the insurance program proposal is presented to the Fire Chiefs for consideration.**

**Carried unanimously.**

## **6. Business Arising from Minutes and Unfinished Business**

### **6.1 Firefighter Personnel Insurance - Update**

Chris Kennedy reported there had been two responses to the RFP for Broker Services, Cowan and M.C.T.I. Copies of the proposals had been sent to the consultant for his feedback and review which will be presented to the FESC Insurance Sub-Committee at a future date.

### **6.2 Recruitment & Retention - Strategy**

The Committee received Council's motion and a brief on work carried out (circulated with the agenda) and being worked on for information purposes.

### **6.3 Reply to Letter to TIR re Detour Signage**

An email (circulated with the agenda) was received from Glen Strang, Area Manager of Dept. of Transportation and Infrastructure Renewal, explaining the procedure for detour signage.

### **6.4 Fire Departments Budget - Update**

The Committee received the Memo (circulated with the agenda) regarding the distributions of the approved budgeted amount of \$167,900.00 for the 2019/2020 fiscal year.

### **6.5 Terms of Reference – Nomination Process Review**

Alex Dumaresq spoke to the lack of clarity under Section 6 in the Committee's Terms of Reference which had caused some confusion at the previous AGM. Proposed revisions to this Section (circulated with the agenda) were presented and discussed by the Committee.

**Moved by Deputy Chief Patterson seconded by Deputy Chief Schmeisser that the Fire & Emergency Services Committee accept the proposed changes to Section 6 of the Terms of Reference with the addition of a clause requiring that a Nomination Report, including the list of advance nominees, is read at the Annual General Meeting.**

**Carried unanimously.**

It was agreed that the further revisions would be submitted at the next Committee meeting.

### **6.6 Strategic Planning Workshop – Update**

Mr. Keizer reported that the Workshop had been held and in order to review, organize and structure some of the points raised from the workshop, he suggested that a follow-up workshop is held in the Fall. Date to be advised, noting that 14<sup>th</sup> October is Thanksgiving.

### **6.7 Fire & Emergency Call Lists – Fiscal or Calendar Years? (From AGM)**

Mr. Kennedy reported that only one department reported on Fiscal year and were able to easily change the report to Calendar year for analysis purposes.

It was requested that this should be noted in the package, so that any new personnel would know the reporting procedure.

**7. NEW BUSINESS**

**7.1 Pump Test Pit**

An email (circulated with the agenda and released to all LRFES members) was received from Bridgewater Fire Department regarding the intent of the Bridgewater F.D. to construct an engineered Pump Test Pit, with the Town of Bridgewater funding a large portion of the construction costs and all costs for ongoing upkeep, and suggesting funding assistance from departments, or a pay-per-use if no funding support provided.

Mr. Kennedy explained that it was an important time to be looking at this matter, as a number of departments use Wiles Lake to carry out testing and this location is becoming more and more challenging with a requirement for maintenance and upgrades likely in the near future. Wiles Lake is a multi-purpose facility and upgrades there may be more difficult as it is a natural watercourse.

It was suggested that perhaps Council would be supportive of a funding request for this purpose, as this would mean access for all departments to carry out Pump Testing and perhaps may encourage cost-sharing between departments in hiring a technician to carry out the testing.

It was noted that Council has set budget for 2019/20 and this information was preliminary in nature. It was noted that more information was needed before it could be brought forward to Council for consideration in the 2020/21 budget. It was agreed to wait and see what progresses.

**8. IN CAMERA (Nil)**

**9. NEXT MEETING – Monday September 9<sup>th</sup>, 2019.**

**10. ADJOURNMENT**

**There being no further business at 8.54 p.m., it was moved by Deputy Chief Schmeisser and seconded by Mayor Bolivar-Getson that the meeting adjourn. Carried unanimously.**