



## STAFF REPORT ACTION REQUIRED

### **Sole Source Purchase of the Protective Encapsulating Transportation System (PETS) - specialized custom containment vessels (shipping cases).**

<b>Date:</b>	January 20, 2010
<b>To:</b>	Community Development and Recreation Committee
<b>From:</b>	Fire Chief and General Manager, Toronto Fire Services Director, Purchasing and Materials Management Division
<b>Wards:</b>	All
<b>Reference Number:</b>	P:/2010/Internal Services/pmmd/CD10004pmmd

#### **SUMMARY**

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This report requests that City Council grant authority for the issuance of a sole source contract for proprietary specialized custom containment vessels (shipping cases) from Impact Cases Inc. for use by Toronto Heavy Urban Search and Rescue Team (HUSAR) from March 1, 2010 to February 28, 2011 with the option to renew the contract for four (4) additional one year terms at the sole discretion of the City of Toronto.

The purchase of these containment vessels are intended to encase some of the new camp system components as well as effecting transport system maintenance. The Protective Encapsulating Transportation System (PETS) is a national program standard for military air lift of civilian disaster response team caches. Toronto HUSAR are currently expanding on a PETS system that contains over 500 vessels. This purchase is part of an approved Joint Emergency Preparedness Program (JEPP) grant, wherein the Federal Government reimburses 75% of the total cost of the purchase.

The PETS system has been determined by the 5 members of the national HUSAR Program to be the transportation system to be used by all teams to meet the air lift requirements.

## **RECOMMENDATIONS**

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**The Fire Chief and General Manager, Toronto Fire Services and the Director, Purchasing and Materials Management Division recommend that City Council grant authority to:**

1. Award a sole source contract for the purchase of custom containment vessels as required in support of the PETS system for the Toronto Heavy Urban Search and Rescue Team to Impact Cases Inc. in an amount not to exceed \$ \$655,457.71 net of GST and HST Recoveries for the period of 5 years
2. The Fire Chief and General Manager, Toronto Fire Services to instruct the Director, Purchasing and Materials Management to process the necessary contract renewals under the same terms and conditions, should the option(s) be exercised.

## **FINANCIAL IMPACT**

The total potential contract award identified in this report is \$719,810.00 including all taxes and charges. The total potential cost to the city net of GST and HST Recoveries is \$655,457.71

Funding for the purchase of the Impact Case Inc. PETS system has been included in the 2010 Approved Capital Budget for Fire Services. The project costs have been approved by, and are 75% funded by, the Federal Government under the Joint Emergency Preparedness Program (JEPP); CFR081 – Replacement of HUSAR Equipment-2010 with a 2010 cash flow of \$400,000.00 and CFR080 – HUSAR/JEPP –10/11 with a 2010 cash flow of \$867,000.00. As well, Fire Services approved 10 Year Capital Plan includes an annual uncommitted provision beginning in 2011 of \$200,000.00 for HUSAR equipment replacement; FIR906851- Replacement of HUSAR Equipment, subject to 75% JEPP funding.

Each such project must be scheduled to be completed within the assigned Federal fiscal year, in this case ending March 31, 2010. Should the option to extend the contract be exercised, then additional funds will be requested in the 2010-2011 Fire Services Budget submissions under the same account. Funding details (net of GST and HST Recoveries) are provided in the table below:

Capital Account	Year 1 ending March 31, 2011	Year 2 ending March 31, 2012	Year 3 ending March 31, 2013	Year 4 ending March 31, 2014	Year 5 ending March 31, 2015	Total
CFR080	196,022.00					196,022.00
CFR081	52,395.71					52,395.71
Plan FIR906851		101,760.00	101,760.00	101,760.00	101,760.00	407,040.00
<b>Total</b>	<b>\$ 248,417.71</b>	<b>\$ 101,760.00</b>	<b>\$ 101,760.00</b>	<b>\$ 101,760.00</b>	<b>\$ 101,760.00</b>	<b>\$ 655,457.71</b>

The Deputy City Manager and Chief Financial Officer have reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

Toronto HUSAR has been in existence since 1999, with federal funding supporting the initiative since the 2001/2002 Federal fiscal year. Due to the nature of the program, and the need for interoperability for the five national HUSAR Teams, a number of purchases require sole source approval, following testing of products during exercise conditions.

## **ISSUE BACKGROUND**

The Toronto Heavy Urban Search and Rescue (HUSAR) Team is part of the Federal HUSAR program, which currently involves four other teams, including Vancouver, Calgary, Manitoba, and Halifax. Toronto HUSAR is a multi-agency initiative led by Toronto Fire Services, and includes members from Toronto Police and Toronto Emergency Medical Services.

In recent years, the five national HUSAR Teams have met annually to develop priorities, set budgets, plan exercises and make decisions with respect to equipping the teams in a standard manner that will allow maximum interoperability in the case of a deployment or an exercise. The PETS system was designed to address the air lift capability of Toronto HUSAR as well as the other four national teams. In 2008 it became a proven capacity as the system was successfully air lifted to a deployment exercise in Thunder Bay during a Provincial Exercise.

## **COMMENTS**

Toronto Heavy Urban Search and Rescue Team (HUSAR) is one of five national teams, and is developing its deployment cache on the basis of agreed-upon standards for all teams to ensure interoperability at the scene of a major deployment.

The PETS system has been determined by the five national HUSAR team members to be the transportation system to be used by all teams to meet the air lift requirements.

The sole source purchase requested herein has been approved by the Federal Government for 75% funding, and will complete the purchase of the PETS systems to support Toronto HUSAR's air lift capacity.

The price quoted by Impact Cases Inc. has been reviewed by Toronto Fire Services and is considered to be fair and reasonable. Impact Cases Inc. offers its products to the City of Toronto (including CAN-TF3) at a preferred rate, set aside for the military and government agencies.

Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

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## SIGNATURE

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