

Toronto Fire Services Amendment to the 2020 Approved Capital Budget and 2021-2022 Cash Flows - Station B (Downsview) and Personal Protection Equipment Replacement

Date: November 17, 2020

To: Budget Committee

From: Fire Chief and General Manager, Toronto Fire Services

Wards: All

SUMMARY

This report requests City Council's authority to amend the Approved 2020 Capital Budget and 2021-2022 Capital Plan for Toronto Fire Services by accelerating total cash flows of \$2.410 million from 2021 and 2022 for two (2) capital projects, funded from the Development Charge Reserve Fund (XR2118) and Fire Equipment Reserve (XQ1020), with no impact on the cost of either project.

These amendments are required to: 1) complete the construction of the Station B - Downsview capital project which advanced quicker than planned due to good weather, favourable site conditions, and the permission to continue working on an essential service facility through the pandemic; and 2) proceed with the lifecycle replacement of Personal Protection Equipment, i.e., Firefighter Bunker Suits approaching the 10-year expiry date, ahead of schedule to avoid potential delays arising from the second wave of COVID-19.

RECOMMENDATIONS

The Fire Chief and General Manager, Toronto Fire Services recommends that:

1. City Council authorize an in-year budget adjustment to the 2020 Capital Budget and 2021 Capital Plan for Toronto Fire Services (TFS) by accelerating the cash flows for the Station B - Downsview project (CFR091-01) by \$1.590 million from 2021, with no impact on the total project cost of \$11.685 million, with adjusted cash flows of \$5.087 million in 2020 and \$2.296 million in 2021, funded through the Development Charge Reserve Fund (XR2118) for the construction of the new fire station.

2. City Council authorize an in-year budget adjustment to the 2020 Capital Budget and 2021-2022 Capital Plan for Toronto Fire Services (TFS) by accelerating the cash flows for the Personal Protection Equipment Replacement project (CFR133-01) by \$0.820 million from 2021 and 2022, with no impact on the total project cost of \$4.500 million, with adjusted cash flows of \$2.026 million in 2020 and \$2.380 million in 2021, funded through the Fire Equipment Reserve (XQ1020) for the lifecycle replacement of critical Structural Firefighting Bunker Suits approaching the 10-year expiry date.

FINANCIAL IMPACT

Station B - Downsview

The acceleration of cash flows from the Development Charge Reserve Fund (XR2118) are required to fund the construction of the new fire station, which is ahead of schedule due to cooperative weather, favourable site conditions, and governmental clearance for contractors to continue working on essential projects throughout the pandemic while other construction activities on non-essential builds stopped.

The previously approved budgeted cash flows net of HST recoveries are revised in accordance with Table 1, below:

Table 1: Station B-Downsview Project Cash Flows (\$000s)

Station B- Downsview #144	Initial Approval	Approved project cost	Life to date expenditures as of Dec 31 2019	2020	2021	Total Cash Flows
				Cash Flow	Cash Flow	
2020 Approved Capital Budget	2012	11,685	4,302	3,497	3,886	7,383
2020 Revised Capital Budget	2012	11,685	4,302	5,087	2,296	7,383
Change				1,590	-1,590	

TFS is recommending the relocation of an existing crew (21 Full Time Equivalent) to staff the Station B - Downsview fire station upon completion. The impact of this relocation on service level performance is included in the 2021 Budget Submission, and will be monitored throughout 2022; TFS will report back through the 2023 budget process.

Personal Protection Equipment Replacement

The revised cash flows for the replacement of expiring Personal Protection Equipment (Firefighter Bunker Suits) is provided by the Fire Equipment Reserve (XQ1020). The revised budgeted cash flows ensure that firefighters are provided with the most up-to-date health and safety equipment; and is reflective of the roll-out, which is progressing

in advance in order to mitigate potential delays arising from a second wave of COVID-19.

Previously approved budgeted cash flows net of HST recoveries are revised in accordance with Table 2, below:

Table 2: Personal Protection Equipment Replacement Cash Flows (\$000s)

Personal Protection Equipment Replacement	Initial Approval	Approved Project cost	Life to date Spending as of Dec 31, 2019	2020	2021	2022	Total cash flows
				Cash Flow	Cash Flow	Cash Flow	
2020 Approved Capital Budget	2019	4,500	94	1,206	3,100	100	4,406
2020 Revised Capital Budget	2019	4,500	94	2,026	2,380		4,406
Change				820	-720	-100	

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On February 19, 2020, City Council approved the 2020 Operating Budget that included the re-allocation of funding for the 21 firefighters to the Value-Based Staffing Pilot Program to address the impact of WSIB absences for which TFS has had no alternative but to reduce frontline emergency service as a result of the reduction in front-line staff. <http://www.toronto.ca/legdocs/mmis/2020/ex/bgrd/backgroundfile-146056.pdf>

On June 18 and 19, 2019, City Council approved an in-year adjustment to the 2019-2022 Approved Capital Budget and Plan by increasing the Station B - Downsview capital project cost by an additional \$0.800 million. <http://www.toronto.ca/legdocs/mmis/2019/ex/bgrd/backgroundfile-133238.pdf>

On March 7, 2019, City Council deferred the hiring of the 21 firefighters to October 1, 2019 to align with the anticipated station opening as part of the 2019 Operating Budget.

The Personal Protection Equipment Replacement capital project was also approved as part of the 2019-2028 Capital Budget and Plan. <https://www.toronto.ca/legdocs/mmis/2019/bu/bgrd/backgroundfile-123851.pdf>

On December 4, 2018, City Council approved an in-year adjustment to the 2018-2027 Approved Capital Budget and Plan by increasing the Station B - Downsview capital project cost by \$1.0 million, as part of the Capital Variance Report for the Nine-Month Period Ended September 30, 2018.

<https://www.toronto.ca/legdocs/mmis/2019/cc/bgrd/backgroundfile-122393.pdf>

2020 Capital Budget Amendment- Station B and Personal Protection Equipment replacement

On February 12, 2018, City Council approved the 2018 Operating Budget which added 21 firefighter positions for the opening and operation of Station B - Downsview.
<http://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/backgroundfile-111975.pdf>

On January 17, 2012, City Council approved the capital funding for the Station B- Downsview capital project as part of the 2012 Capital Budget and 2013-2021 Capital Plan.
<http://www.toronto.ca/legdocs/mmis/2012/ex/bgrd/backgroundfile-44097.pdf>

COMMENTS

Station B - Downsview

Toronto's newest fire station, Station 144, is located in Downsview Park at 2945 Keele Street. The 12,992-square-foot building will house a fire hall, Fire Investigations Team and a post-disaster facility. The station is designed to be an efficient, environmentally-conscious facility that allows natural light, uses robust materials for a longer service life and includes a green roof.

The capital project cost was approved by City Council in 2012 at a cost of \$9.885 million. The project experienced various delays including a two (2) year delay in acquiring the land, issues with tender drawings due to floor plan changes, streetscaping re-design, and receipt of Site Plan Approvals.

Prior to issuing the construction tender in 2018, Facilities Management (FM) on behalf of Toronto Fire Services (TFS) engaged a consultant to provide the most current cost estimate for the project, as six (6) years had passed since the initial project approval. The Class A pre-tender estimate for construction came in \$1.0 million over the available budget due to inflationary and market price increases in construction material costs. As a result, City Council approved an in-year adjustment in 2018 to increase the Station B - Downsview capital project cost by \$1.0 million to \$10.885 million funded from the Development Charge Reserve Fund (XR2128).

On November 30, 2018, the City's Purchasing Materials Management Division (PMMD) issued tender number 286-2018 on behalf of FM and TFS for the construction of the new fire station. The tender closed on January 15, 2019 and the lowest compliant bid was \$0.800 million in excess of the project cost. Subsequently City Council approved an in-year adjustment in 2019 to increase the Station B - Downsview project cost by \$0.800 million to \$11.685 million funded from the Development Charge Reserve Fund (XR2128).

On January 31, 2020, the construction contract was awarded to Pegah Construction Ltd. Construction began March 15, 2020 and is expected to be completed by the fall of 2021. The construction work is progressing ahead of schedule due to several factors. Favourable weather conditions have allowed the construction season to be extended. Favourable site conditions have also allowed the advancement of construction as fewer

impacted soils were encountered during site excavation resulting in the site grading and installation of the building foundation finishing ahead of schedule. In addition, Provincial COVID-19 pandemic protocols directed the construction industry to stop work on non-essential facilities while work on the fire station, deemed an essential service facility, was allowed to continue. This permitted the contractor to have exclusive access and dedication of sub-trades to work on this project. Finally, the building frame and structure has been completed to the point where the building interior is enclosed and protected from outside weather elements. This has allowed the contractor to advance interior work. As a result of these factors, the construction work completed to date has progressed well and requires a cash flow advancement of \$1.590 million in 2020 to continue construction.

On February 12, 2018, City Council approved the addition of 21 firefighter positions to staff the opening and operation of the new fire station. The hiring of the previously approved fire crew (21 Full Time Equivalent) will be deferred, as TFS is recommending the relocation of an existing crew to staff the Downsview fire station upon completion. The impact of relocating the crew on Total Response Time, Effective Fire Fighting Force and containing fires to the room of origin will be monitored throughout 2022 and TFS will report back through the 2023 budget process.

Personal Protection Equipment Replacement

Firefighting Bunker Suits are an integral part of the Personal Protection Equipment (PPE) used by firefighters. They are comprised of a jacket and pant ensemble that provide primary protection for firefighters during firefighting operations from extreme heat, smoke, chemical and substance exposure and the many products of combustion.

Each firefighter is assigned two (2) individual sets of bunker suits and one set is purchased in bulk every five (5) years. Each Bunker Suit serves five (5) years as primary Bunker Suit and five (5) years as secondary Bunker Suit. Once five (5) years from date of manufacture has elapsed, the Bunker Suit is transitioned from primary to secondary status for use when the primary Bunker Suit is contaminated, damaged, or out of service for cleaning or repair. In accordance with NFPA Standard 1851-2020 Section 10.1, Bunker Suits must be retired and replaced no more than 10 years from the date of manufacture.

At the onset of COVID-19, this capital project faced delays as firefighters could not be measured for the customized Bunker Suits using traditional methods due to health and safety protocols. Subsequently, TFS staff worked with the vendor to create a new process to measure firefighters using a no-touch Mobile Sizing Application that actually required less time to complete while adhering to physical distancing protocols. This has provided TFS the opportunity to order a greater quantity of Bunker Suits earlier than planned which has necessitated the advancement of funding in 2020. Ordering the Bunker Suits in advance will help TFS mitigate the impact of any potential delays as a result of COVID-19 on the provision of the Personal Protection Equipment for staff in accordance with NFPA 1851. The Bunker Suits are expected to be delivered before December 31, 2020; however, the impact of COVID-19 on the manufacturer's ability to meet this timeline is unknown.

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SIGNATURE

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