Award of Request for Proposal No. 3810-13-0056 to Mine Safety Appliances Company (MSA), for the supply of Self Contained Breathing Apparatus (SCBA) and related components for use by Toronto Fire Services (TFS)

<table>
<thead>
<tr>
<th>Date:</th>
<th>August 8, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td>Community Development &amp; Recreation Committee</td>
</tr>
</tbody>
</table>
| From:       | Fire Chief, Fire Services Division  
Acting Director, Purchasing and Materials Management Division |
| Wards:      | All Wards |
| Reference Number | |

SUMMARY

The purpose of this report is to provide the results of the RFP to select an appropriate brand of Self Contained Breathing Apparatus (SCBA) and related components, for use by Toronto Fire Services (TFS) and City divisions and to request authority to enter into an agreement with Mine Safety Appliances Company (MSA) to provide parts supply, service, and warranty support for the SCBA units and related components for a period of fifteen (15) years from the date of the award to July 31, 2029.

The RFP complied with the purchasing policies and as indicated in the report, Attachment 1, a Fairness Monitor was engaged to monitor the RFP and attest to the fairness and openness of the procurement process. Mine Safety Appliance Company (MSA) had the lowest cost of services and the highest overall score; as a result, Toronto Fire Services staff recommends that this proponent be awarded the Self Contained Breathing Apparatus (SCBA) and related components Contract.
RECOMMENDATIONS

The Fire Chief of Toronto Fire Services and the Acting Director of Purchasing and Materials Management recommend that:

1. City Council authorize the Fire Chief and General Manager, Fire Services, to award a contract to, and to negotiate, enter into and execute on behalf of the City an agreement not to exceed a total value of $7,076,349.33 net of HST recoveries, with Mine Safety Appliances (MSA) Company for the supply of Self Contained Breathing Apparatus and related components, for a period of fifteen (15) years, from date of award to July 31, 2029, in a form acceptable to the City Solicitor.

FINANCIAL IMPACT

The total contract award for the period from the date of award to July 31, 2029 is $6,953,959.64, net of all applicable taxes and charges, $7,857,974.39, including all applicable taxes and charges. The total cost to the City for the period from the date of award to July 31, 2029 is $7,076,349.33, net of HST recoveries. Funding in the amount of $5,569,361.33 is included in Fire Services’ 2014 Approved Capital Budget and $38,252.00 is included in the 2014 Approved Operating Budget. Appropriate funds (as noted in the Table below) will be included in the 2015-2029 annual Operating Budget Submissions. Funding details are provided below:

<table>
<thead>
<tr>
<th>Period</th>
<th>Cost Centre: FR0024 Cost Element: 2590</th>
<th>Total (net of HST Recoveries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Equipment Purchase</td>
<td>$5,569,361.33 (Acct. # CFR092-01)</td>
<td>$5,569,361.33</td>
</tr>
<tr>
<td>Date of award to December 31, 2014</td>
<td>$38,252.00</td>
<td></td>
</tr>
<tr>
<td>January 1, 2015 to July 31, 2015</td>
<td>$23,744.00</td>
<td></td>
</tr>
<tr>
<td>Total: Contract Period - Year 1</td>
<td>$61,996.00</td>
<td>$61,996.00</td>
</tr>
<tr>
<td>August 1, 2015 to December 31, 2015</td>
<td>$38,160.00</td>
<td></td>
</tr>
<tr>
<td>January 1, 2016 to July 31, 2016</td>
<td>$53,424.00</td>
<td></td>
</tr>
<tr>
<td>Total: Year 2</td>
<td>$91,584.00</td>
<td>$91,584.00</td>
</tr>
<tr>
<td>Total: 2015 Budget Year</td>
<td>$61,904.00</td>
<td></td>
</tr>
<tr>
<td>August 1, 2016 to December 31, 2016</td>
<td>$38,160.00</td>
<td></td>
</tr>
<tr>
<td>January 1, 2017 to July 31, 2017</td>
<td>$53,424.00</td>
<td></td>
</tr>
<tr>
<td>Total: Year 3</td>
<td>$91,584.00</td>
<td>$91,584.00</td>
</tr>
<tr>
<td>Total: 2016 Budget Year</td>
<td>$91,584.00</td>
<td></td>
</tr>
<tr>
<td>August 1, 2017 to December 31, 2017</td>
<td>$38,160.00</td>
<td></td>
</tr>
<tr>
<td>January 1, 2018 to July 31, 2018</td>
<td>$53,424.00</td>
<td></td>
</tr>
<tr>
<td>Period</td>
<td>Cost Centre: FR0024</td>
<td>Cost Element: 2590</td>
</tr>
<tr>
<td>--------</td>
<td>---------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Total: Year 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total: 2017 Budget Year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

August 1, 2018 to December 31, 2018 $38,160.00
January 1, 2019 to July 31, 2019 $53,424.00
Total: Year 5 $91,584.00 $91,584.00
Total: 2018 Budget Year $91,584.00

August 1, 2019 to December 31, 2019 $38,160.00
January 1, 2020 to July 31, 2020 $53,424.00
Total: Year 6 $91,584.00 $91,584.00
Total: 2019 Budget Year $91,584.00

August 1, 2020 to December 31, 2020 $38,160.00
January 1, 2021 to July 31, 2021 $53,424.00
Total: Year 7 $91,584.00 $91,584.00
Total: 2020 Budget Year $91,584.00

August 1, 2021 to December 31, 2021 $42,400.00
January 1, 2022 to July 31, 2022 $59,360.00
Total: Year 8 $101,760.00 $101,760.00
Total: 2021 Budget Year $95,824.00

August 1, 2022 to December 31, 2022 $42,400.00
January 1, 2023 to July 31, 2023 $59,360.00
Total: Year 9 $101,760.00 $101,760.00
Total: 2022 Budget Year $101,760.00

August 1, 2023 to December 31, 2023 $42,400.00
January 1, 2024 to July 31, 2024 $59,360.00
Total: Year 10 $101,760.00 $101,760.00
Total: 2023 Budget Year $101,760.00

August 1, 2024 to December 31, 2024 $42,400.00
January 1, 2025 to July 31, 2025 $59,360.00
Total: Year 11 $101,760.00 $101,760.00
Total: 2024 Budget Year $101,760.00

August 1, 2025 to December 31, 2025 $50,880.00
January 1, 2026 to July 31, 2026 $71,232.00
Total: Year 12 $122,112.00 $122,112.00
Total: 2025 Budget Year $110,240.00

August 1, 2026 to December 31, 2026 $50,880.00
<table>
<thead>
<tr>
<th>Period</th>
<th>Cost Centre: FR0024</th>
<th>Cost Element: 2590</th>
<th>Total (net of HST Recoveries)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2027 to July 31, 2027</td>
<td>$71,232.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total: Year 13</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td><strong>Total: 2026 Budget Year</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td>August 1, 2027 to December 31, 2027</td>
<td>$50,880.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 1, 2028 to July 31, 2028</td>
<td>$71,232.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total: Year 14</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td><strong>Total: 2027 Budget Year</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td>August 1, 2028 to December 31, 2028</td>
<td>$50,880.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 1, 2029 to July 31, 2029</td>
<td>$71,232.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total: Year 15</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td><strong>Total: 2028 Budget Year</strong></td>
<td></td>
<td></td>
<td>$122,112.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$7,076,349.33</strong></td>
</tr>
</tbody>
</table>

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

**DECISION HISTORY**

The SCBA units currently in use were purchased in 1999 following amalgamation of the six (6) former municipalities. These systems have been maintained by TFS staff and regularly tested as required by the manufacturer, and upgraded to be Chemical, Biological, Radiological and Nuclear (CBRN) compliant in 2006. The carbon fiber wrapped cylinders are registered by the US Department of Transport (DOT), and are only certified for a lifespan of 15 years.

The cylinders currently in use will expire in the 4th quarter of 2014 and must be replaced. The SCBA units themselves, although not legally expiring, are at the end of their service life, and are two National Fire Protection Association (NFPA) standard revisions behind current regulations.

**ISSUE BACKGROUND**

TFS maintain an inventory of over 3,300 breathing air cylinders, almost 800 SCBA units, 3,000 face-pieces, air-source carts used for confined space, Rapid Intervention Team (RIT) equipment, and other related hardware.

SCBA units provide the fire fighter with the ability to breathe, work and communicate in a potentially toxic atmosphere that would otherwise be perilous to their health and safety. Emergencies, such as structure fires, vehicle fires, and hazardous material release, all contain elements of smoke, fire and chemical compounds. An SCBA unit protects the fire
fighter by allowing the user a supply of clean breathable air while performing rescue and hazard mitigation activities. The SCBA is an integral part of the firefighter’s personal protective equipment (PPE) ensemble.

COMMENTS

The Request for Proposal (RFP):

RFP No. 3810-13-0056 was issued by Purchasing and Materials Management Division (PMM) on October 18, 2013 and made available for download on the City's internet website. The closing date for the submission was December 27, 2013. Eight (8) firms downloaded the document from the PMM website. Five (5) addenda were issued. An optional information session was also conducted on November 04, 2013, to confirm all proponents understood the various stages of the proposal process and to ascertain a better understanding of the requirements. Representatives from four (4) manufacturers attended the meeting.

Evaluation of the Request for Proposal (RFP):

A formal Selection Committee comprised of the Mechanical Division Chief, an Operations Division Commander, two (2) Mechanical Division staff members, two (2) Training Officers, two (2) Local 3888 Health & Safety representatives, and one (1) Corporate Ergonomist, evaluated the various stages of the proposals in compliance with the criteria set out in the RFP as follows:

- Initial Review: Mandatory Compliance
- Stage 1: Technical Proposal (Proposal Content)
- Stage 2: Warranty Evaluation
- Stage 3: Financial Proposal Evaluation

Two (2) proposals were received from Mine Safety Appliances Company (MSA) and Drager Safety Canada Ltd.

Proponents were required to submit a Technical Proposal (Proposal Content) and Cost of Service submission in two (2) separate envelopes.

In compliance with the RFP, an initial review was conducted to ensure a list of mandatory requirements had been met in order to advance to Stage 1 (Proposal Content). Both proposals met the mandatory submission requirements.

In Stage 1 the Proponents were evaluated on their Technical Proposal (Proposal Content) and in four subsections of functional requirements for minimum value of 70% in each sub-section of the selection process. Proponents were required to achieve an overall minimum threshold of 75% in Stage 1 (Proposal Content) and Stage 2 (Warranty Evaluation) to advance to Stage 3 (Financial Evaluation) to be considered further. Both
firms met the minimum threshold of 75% and advanced to Stage 3 of the evaluation process.

As a result of the evaluation, staff is recommending that the City enter into an Agreement with Mine Safety Appliances Company (MSA), being the successful Proponent, for a fifteen (15) year term commencing from the time of award to July 31, 2029.

The Fair Wage Office has reported that Mine Safety Appliances Company (MSA) has approved the recommended proponent and has indicated that the proponent has reviewed and understands the Fair Wage Policy and has agreed to comply fully with it.

Proponents' scores by criteria, price comparison and a staff analysis of the evaluation results can be provided in an in-camera presentation, if requested by Committee Members.

Fairness Monitor:

The firm of JD Campbell & Associates was retained from PMMD's roster to act as a Fairness Monitor for the RFP. The Fairness Monitor's scope of work included the following:

- addressing any concerns relating to accountability/fairness (monitoring the level of openness, transparency and competitiveness of the procurement process);
- independent assurance of integrity of the procurement process with a signed attest statement for the RFP;
- preparing a Final Attestation Report for the City that may be provided to Council as part of any required staff report to Council on a particular procurement;
- presenting report findings to City Council members, if required; and,
- providing evidence and testifying in relation to any legal claim that may arise from the procurement process, if required.

The Fairness Monitor concluded that the RFP process satisfied the principles of openness, fairness, consistency and transparency. The Attestation Report from the Fairness Monitor on the RFP Evaluation Process is included as Attachment 1.
CONTACT

Rob Anselmi  
Division Chief, Mechanical Maintenance  
Fire Services  
Phone: 416-338-9103  
Email: ranselmi@toronto.ca

Elena Caruso, Manager  
Purchasing and Materials  
Management Division  
Phone: (416) 392-7316  
Email: ecaruso@toronto.ca

SIGNATURES

________________________________________  _______________________________________
J. W. (Jim) Sales  
Fire Chief  
Toronto Fire Services  

Victor Tryl  
Acting Director  
Purchasing and Materials Management Division

ATTACHEMENT  
Attachment 1 – Attestation Report from JD Campbell & Associates