



## STAFF REPORT ACTION REQUIRED

### Amendment to Contract 47015536 with Starfield Lion Company for the Supply and Delivery of Firefighting Bunker Suits

<b>Date:</b>	April 27, 2015
<b>To:</b>	Community Development & Recreation Committee
<b>From:</b>	Fire Chief & General Manager, Fire Services and Director, Purchasing and Materials Management Division
<b>Wards:</b>	All
<b>Reference Number:</b>	p:\2015\ClusterB\FIR\cd150012

#### SUMMARY

Toronto Fire Services (TFS) is seeking authority to amend Contract Number 47015536 with Starfield Lion Company (Starfield-Lion) to accommodate the supply and delivery of approximately 3,050 firefighter bunker suits (Bunker Suits). The amendment request is to extend the current contract validity end date to December 31, 2016 and request an increase to the target value of the existing contract in the amount of \$4,078,235.52, net of HST recoveries for a revised total contract value of \$8,007,834.28, net of HST recoveries. City Council approval is required in accordance with Municipal Code Chapter 195-9-Purchasing, where the current request exceeds the threshold of \$500,000.00, net of HST, allowed under staff authority as per Municipal Code By-Law Chapter 71-11.1(C) - Financial Control.

Bunker Suits are an integral part of the Personal Protection Equipment (PPE) used by firefighters. The National Fire Protection Association (NFPA) Standards establish minimum levels of protection and require that Bunker Suits be retired from service no more than ten years from date of manufacture.

A new edition of NFPA 1971 was scheduled to be released in early 2011. However, the release of the new edition was delayed until Fall 2012. Typically, following the release of a revised standard, manufacturers are only allowed to distribute existing fabricated products certified to the previous edition of the standard for twelve months. New fabrications of Bunker Suits must be deemed compliant to the revised standard by the NFPA.

TFS was not able to commence the RFP process, including the wear trial and testing of PPE certified to the 2013 standard until the new version of Bunker Suit was fabricated and deemed compliant to the revised NFPA standard.

The amendment of this contract is critical to ensuring all firefighters are equipped with the appropriate protective equipment while performing their duties and to maintain compliance with Ministry of Labour requirements and NFPA Standards. Not providing the required PPE would negatively impact service levels, would increase costs and could potentially increase exposure to fire fighter health and safety liabilities.

## **RECOMMENDATIONS**

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### **The Fire Chief & General Manager, Fire Services and Director, Purchasing and Materials Management Division recommend that:**

1. City Council authorize the Fire Chief and General Manager, Fire Services to negotiate and enter into an amending agreement to the existing contract with Starfield Lion Company ("Contract No. 47015536") to increase the value of the existing contract by \$4,078,235.52, net of HST recoveries, for a revised contract total of \$8,007,834.28, net of HST recoveries, and to extend the expiry date to December 31, 2016, for the supply and delivery of an additional estimated 2,800 Primary Bunker Suits, and approximately 250 additional In-year Replacement Bunker Suits for 2016, in a form satisfactory to the City Solicitor.

### **Financial Impact**

The total potential cost to the City over a two year period, 2015 to 2016, is \$4,007,700.00, net of Taxes, \$4,528,701.00, including HST, and \$4,078,235.52, net of HST Recoveries for a total of 3,050 bunker suits at a unit cost of \$1,314.00.

As shown in Table 1, TFS will require 2,800 new bunker suits at a cost of \$3,743,953.92, net of HST Recoveries, with delivery phased over two years, 2015 and 2016. TFS 2015 Approved Capital Budget includes a new capital project, "Bunker Suits Lifecycle Replacement 2015" with total project cost of \$3,900,000 fully funded from the Fire Equipment Reserve XQ1020.

In 2016, TFS will require an additional 250 replacement bunker suits with a total potential cost of \$334,281.60, net of HST Recoveries, to be funded from the Operating Budget. In-year replacements have historically been budgeted in the Operating Budget. Funding (as noted above) will be included in the 2016 TFS Operating Budget Submission. TFS has estimated quantities to the maximum number should retirements occur over and above historical levels.

Table 1:

Account	Year	Quantity			Estimated Cost			
		Replacements	In-Year Replacements (damaged suits)	No. of Bunker Suits (a)	Cost per Complete Suit (b)	Extended Cost Net of all taxes (a) x (b)	Total Including HST	Total Net of HST Recoveries
CFR104-01	2015 Target Value & Quantity Amendment	2,800		2,800	\$ 1,314.00	\$ 3,679,200.00	\$4,157,496.00	\$3,743,953.92
FR0019 / GL 2665	2016 Contract Extension		250	250	\$ 1,314.00	\$ 328,500.00	\$371,205.00	\$334,281.60
	<b>Total</b>	<b>2,800</b>	<b>250</b>	<b>3,050</b>		<b>\$ 4,007,700.00</b>	<b>\$4,528,701.00</b>	<b>\$4,078,235.52</b>

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

## DECISION HISTORY

On December 22, 2010, the Bid Committee adopted the recommendations of report BD4.1, RFP 3806-10-0020, approving the recommendations of the Director of Purchasing and Materials Management that authority be granted to enter into agreement with Starfield-Lion, the highest scoring proponent for the supply and delivery of Firefighting Bunker Suits for TFS for a total contract value of \$3,861,634.00, net of all applicable taxes and charges, \$ 3,929,598.76, net of HST Recoveries. The following is the link to the Bid Committee approval:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.BD4.1>

## ISSUE BACKGROUND

Bunker Suits are an integral part of the Personal Protection Equipment (PPE) used by firefighters and are comprised of a structural firefighting jacket and pant ensemble that provides protection to firefighters during firefighting operations. Bunker Suits are exposed to extreme conditions including extreme heat, smoke, chemical and substance exposure and the many products of combustion. These exposures often result in excessive wear and damage to the Bunker Suit.

National Fire Protection Association (NFPA) 1971 protects firefighting personnel by establishing minimum levels of protection from thermal, physical, environmental, and bloodborne pathogens hazards encountered during structural and proximity fire fighting operations. Each Bunker Suit is constructed, maintained, repaired, tested and retired in accordance with NFPA Standards. Each firefighter is assigned two individual sets of Bunker Suits; one set is purchased in bulk every five years. Each Bunker Suit serves five years as primary Bunker Suit and five years as secondary Bunker Suit. Once five 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 is out of service for cleaning or repairs. Once the Bunker Suit reaches ten years of age, it must be retired and replaced.

The process related to the development and evaluation of RFP 3806-10-0020 was initiated in December 2008 and required significant time to complete. The process involved a number of City staff from TFS, Toronto Professional Fire Fighters Association Local 3888, Purchasing and Materials Management Division (PMMD), Health & Safety, Ergonomics, Legal and Risk Management & Insurance. A considerable amount of time was spent developing the RFP including drafting specifications, allowing bidders sufficient time to fabricate Bunker Suit samples, field testing and extensive evaluation by City staff. The process took approximately two years to complete. The existing contract is set to expire December 31, 2015.

## **COMMENTS**

TFS recommends that the existing contract with Starfield-Lion be extended to the end of December 2016 to authorize the order of an additional 2,800 Bunker Suits, plus 250 In-Year Replacement Suits in 2016. Starfield-Lion is honouring the current contract price of \$1,125.45 per complete Bunker Suit for 2015 new recruits, and emergency replacements as stated in the original RFP Price Schedule.

The additional order of 3,050 bunker suits was not included in the original RFP Price Schedule. Starfield-Lion has indicated they are unable to maintain the existing contract price for the mass production of another 3,050 suits. The majority of materials and components in Bunker Suits are manufactured in the United States and the current foreign exchange rate has affected the ability of Starfield-Lion to maintain the current contract price. Pricing for the additional Bunker Suits will be based on Starfield-Lion's quotation of March 26, 2015, covering the period to the end of 2016. All Bunker Suits purchased during 2016 would be governed under the current terms and conditions stipulated in RFP 3806-10-0020.

Extending the current contract will afford TFS and PMMD sufficient time to assemble and conduct a fulsome competitive RFP in time to address NFPA's revised Bunker Suit standards that are currently scheduled for 2017. This will also allow TFS to realign the PPE procurement process with the amended NFPA 1971 standards cycle.

TFS staff are currently assembling an RFP for Bunker Suits to coincide with the release of the NFPA 1971-2013 standard. The entire RFP process will be monitored by a third party contracted Fairness Monitor. Arrangements are already underway to select the Fairness Monitor through PMMD's roster system. On a go forward basis, TFS will request a ten year RFP award which would include a five year contract and five renewal option years. This will allow TFS to align the procurement process with NFPA's issuance of the Bunker Suit Standard, resulting in efficiencies and adding value to the extensive process.

## **CONTACTS**

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## **SIGNATURE**

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