



REPORT FOR ACTION

Request for Authority to Exercise Option Years on Contract Number 47020528 for the Provision of Firefighter's Structural Bunker Suits

Date: September 23, 2020

To: Economic and Community Development Committee

From: Fire Chief and General Manager, Toronto Fire Services, and the Chief Procurement Officer, Purchasing and Materials Management

Wards: All

SUMMARY

The purpose of this report is to request authority from City Council for the Fire Chief and General Manager, Toronto Fire Services (TFS) to exercise the optional five (5) separate one (1) year periods with Innotex Inc., in accordance with the terms and conditions as set out in the Request for Proposal 3806-15-0012 for the provision of firefighter's Structural Bunker Suits with a potential cost over the five (5) option years of \$6,874,119 net of HST recoveries.

At its January 31, 2017 meeting, City Council authorized the Fire Chief and General Manager, Toronto Fire Services, to negotiate and enter into an agreement with Innotex Inc. (Innotex), being the highest overall scoring proponent meeting the requirements of Request For Proposal (RFP) for the supply and delivery of firefighter's Structural Bunker Suits for five (5) years from the date of award to December 31, 2021, with the option to renew the contract, at the discretion of the Economic and Community Development Committee, with the consideration of including the Social Procurement Policy, if applicable, into the renewals for an additional optional five (5) separate one (1) year periods.

The City's Social Procurement Policy (SPP) was in the development stage during the RFP process and consequently the RFP did not include the provisions that would eventually be outlined in the SPP. The SPP was adopted by City Council on May 3, 4, and 5, 2016 and came into effect as of January 1, 2017. The City reached out to Innotex Inc., who has, in the spirit of the SPP, committed to engage organizations or agencies in their region to develop, implement, and maintain a program to help people experiencing economic hardship.

It is critical for the Division to have the option of exercising the additional five (5) separate renewal terms to ensure the existing contract is in place for the continued

supply and delivery of Structural Bunker Suits. The absence of a contract is not an option as it would significantly risk the health and safety of firefighters.

RECOMMENDATIONS

The Fire Chief and General Manager, Toronto Fire Services, and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. City Council authorize the Fire Chief and General Manager, Toronto Fire Services, to exercise the additional optional five (5) separate one (1) year renewal terms with Innotex Inc., at the discretion of the Fire Chief and General Manager, Toronto Fire Services, for the supply and delivery of firefighter's Structural Bunker Suits.

FINANCIAL IMPACT

The total potential cost to exercise the additional optional five (5) separate one (1) year periods with Innotex Inc. is \$6,874,119 net of HST recoveries.

Funding will be included in the future year (2022 to 2026) Operating Budget Submissions and is included in the 2020-2029 Capital Budget and Plan for Toronto Fire Services as outlined in Table 1 below.

Table 1 - Option Year Financial Table

COST CENTRE/ WBS ELEMENT	OPTION YEAR 1 JAN. 1, 2022 TO DEC. 31, 2022	OPTION YEAR 2 JAN. 1, 2023 TO DEC. 31, 2023	OPTION YEAR 3 JAN. 1, 2024 TO DEC. 31, 2024	OPTION YEAR 4 JAN. 1, 2025 TO DEC. 31, 2025	OPTION YEAR 5 JAN. 1, 2026 TO DEC. 31, 2026	TOTAL
FR0019 G/L 2665	\$340,099	\$346,583	\$353,199	\$667,119	\$667,119	\$2,374,119
CFR*	-	-	-	\$1,132,507	\$3,367,493	\$4,500,000
TOTAL	\$340,099	\$346,583	\$353,199	\$1,799,626	\$4,034,612	\$6,874,119

* Capital project number to be identified in future years as may be required.

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

DECISION HISTORY

At its meeting on January 31, 2017, City Council adopted the recommendation to award, a contract as a result of Request for Proposal (RFP) No. 3806-15-0012 to Innotex Inc. for the Supply and Delivery of Firefighter's Structural Bunker Suits for a total amount of \$6,673,484 net of HST recoveries for five years from the date of award to December 31, 2021 with the option to renew the contract at the discretion of the Economic and Community Development Committee, with the consideration of including the Social Procurement Policy, if applicable, into the renewals for an additional optional five (5) separate one (1) year periods, for a total potential cost of \$13,547,603, net of HST recoveries.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.CD17.4>

At its meeting on May 3, 4 and 5, 2016, City Council adopted the City of Toronto Social Procurement Program and directed the City Manager to work with all City division heads to collaboratively implement the Program.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX14.8>

COMMENTS

The City's Purchasing and Materials Management Division (PMMD) issued Request for Proposal (RFP) No. 3806-15-0012, on Toronto Fire Services' behalf, for the provision of firefighter's Structural Bunker Suits on December 2, 2015 and closed it on January 22, 2016. The City's Social Procurement Program (SPP) was in the development stage during this time and consequently, the RFP did not include the provisions that would eventually be outlined in the SPP. The SPP was adopted by City Council on May 3, 4, and 5, 2016 and came into effect as of January 1 2017.

The SPP contains two main elements, increasing the diversity of the supply chain by increasing access to certified diversely owned businesses and providing community benefits through workforce development opportunities in the contract to equity seeking groups and indigenous communities. The workforce development component of SPP is not included in all City contracts, but is in select contracts that meet requirements set out in the SPP.

When the contract award report was brought to City Council in January of 2017, the contract with the vendor had been finalized before the SPP came into place and was therefore not included. City Council adopted a recommendation from Community Development and Recreation Committee (CDRC) that Toronto Fire Services be required to report back to CDRC (now Economic and Community Development Committee) if the option years were being considered so that TFS could show whether or not the SPP could be applied during the option renewal terms of the contract.

Innotex's manufacturing facility is located in Richmond, Québec. Any implementation of a portion of the SPP would therefore not directly benefit Toronto residents; however,

there is potential the City's influence may be projected to another region of the country that could provide benefits to other equity seeking individuals.

TFS reached out to Innotex to determine if they would be willing to endorse and possibly implement any of the City's SPP initiatives in their geographic area of operations.

On August 4, 2020, Innotex formally stated their endorsement of the City's SPP along with a commitment to engage organizations or agencies in their region to develop, implement, and maintain a program to help people experiencing economic hardship. Innotex is currently in the process of selecting a community-based organization / agency to partner with to do this work. Innotex has indicated that by November 2020 they will provide the City with the specifics of a selected community based partner and a proposal outlining their plan on how they will administer their role and responsibility in alignment with the City's SPP. PMMD staff will review the proposal and work with both Innotex and TFS to ensure that the proposal is in line with the goals of SPP.

Structural Firefighting Bunker Suits are an integral part of the Personal Protection Equipment 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.

It is critical for Fire Services to have the option of exercising the additional five (5) separate option years to ensure the existing contract is in place for the continued supply and delivery of Structural Bunker Suits until such time as a new contract is awarded. The absence of a contract is not an option as it would significantly risk the health and safety of firefighters.

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SIGNATURE

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