

Non-Competitive Contract with Darch Fire Incorporated for the Supply and Delivery of Bronto and E-One Original Equipment Manufacturer Parts and Warranty

Date: August 30 2021

To: General Government and Licensing Committee

From: Acting Fire Chief and General Manager-Emergency Management, Toronto Fire Services and Chief Purchasing Officer

Wards: All

SUMMARY

The purpose of this report is to seek City Council authority for the Acting Fire Chief and General Manager, Toronto Fire Services ("TFS") to negotiate and enter into a non-competitive contract with Darch Fire Incorporated ("Darch Fire") for the supply and delivery of Original Equipment Manufacturer (OEM) parts and warranties for TFS' Bronto and E-One model firefighting apparatus in the amount of \$653,814, net of Harmonized Sales Tax (\$665,321, net of Harmonized Sales Tax recoveries), for a five (5) year period, commencing on January 1, 2022 and ending December 31, 2026.

Darch Fire is the exclusive supplier of OEM heavy vehicle parts for Bronto and E-One in Ontario. In addition, this supplier provides exclusive warranty for these parts. TFS is seeking to set in place a five (5) year non-competitive contract with Darch Fire to ensure uninterrupted supply and delivery of OEM parts for Bronto and E-One front-line heavy fleet firefighting apparatus.

RECOMMENDATIONS

The Acting Fire Chief and General Manager-Emergency Management, Toronto Fire Services and Chief Purchasing Officer recommend that:

1. City Council , in accordance with Section 195-7.3(D) of Municipal Code Chapter 195 (Purchasing By-Law) grant authority to the Fire Chief and General Manager, Toronto Fire Services to negotiate and enter into a non-competitive agreement with Darch Fire Incorporated for a five (5) year term, for the supply and delivery of Original Equipment Manufacturer parts for Toronto Fire Services' Bronto and E-One model firefighting

apparatus aerial devices in the amount of \$653,814, net of Harmonized Sales Tax (\$665,321, net of Harmonized Sales Tax recoveries), on the terms and conditions satisfactory to the Fire Chief and General Manager, Toronto Fire Services, and in a form acceptable to the City Solicitor.

FINANCIAL IMPACT

The total value of the non-competitive contract identified in this report is \$653,814, net of Harmonized Sales Tax (\$665,321, net of Harmonized Sales Tax recoveries).

Funding for the contract years 2022, 2023, 2024, 2025 and 2026 will be included for consideration in the 2022-2026 Operating Budget Submissions for Toronto Fire Services (TFS), with the 2022 funding requirement included in the 2021 program base. The cash flow funding requirement for this contract is summarized in Table 1, as noted below:

Table 1: Financial Impact Summary, net of Harmonized Sales Tax Recoveries

Cost Centre / Cost Element	2022	2023	2024	2025	2026
	January 1, 2022 to December 31, 2022	January 1, 2023 to December 31, 2023	January 1, 2024 to December 31, 2024	January 1, 2025 to December 31, 2025	January 1, 2026 to December 31, 2026
FR0025/ 2120	\$123,283	\$128,211	\$133,231	\$137,886	\$142,710
Total (net of Harmonized Sales Tax Recoveries)				\$665,321	

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

DECISION HISTORY

This item has not previously been considered by City Council.

COMMENTS

The parts and specialized services for the equipment manufacturers outlined in this report cannot be obtained through the competitive procurement process. The manufacturer notified TFS in January 2018 that Darch Fire Incorporated is the exclusive distributor in Ontario for the E-One and Bronto Parts and service.

TFS currently has 14 E-One firefighting apparatus including four (4) E-One units equipped with Bronto brand tower/aerial devices in its fleet which require ongoing service, repair and replacement parts. It is anticipated the Division will be procuring an additional three (3) to four (4) E-One vehicles including Bronto brand tower/aerial devices over the term of five (5) years with each vehicle having an anticipated overall lifecycle of 15 to 20 years.

Toronto Fire Services has compared the unit prices proposed by Darch Fire Incorporated to prices provided by other OEM dealers under contract with the City for the provision of Proprietary OEM Parts and Services and confirms that the unit prices are fair and reasonable for similar parts and services in the market.

Toronto Fire Services requires the supply and delivery of proprietary OEM heavy vehicle parts for both Bronto and E-One which can only be provided by the vendor identified in this report to ensure the continuation of services and to avoid jeopardizing equipment warranties.

The Fair Wage Office has reported that Darch Fire Incorporated has indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

CONTACT

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SIGNATURE

Jim Jessop
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Sandra Lisi on behalf of Michael Pacholok
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