DA TORONTO

REPORT FOR ACTION

Non-Competitive Contract with MetalCraft Marine Ltd. to Purchase a high-Speed Firefighting Vessel for Toronto Fire Services

Date: December 22, 2021

To: General Government and Licensing Committee

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

Wards: All

SUMMARY

The purpose of this report is to seek City Council authority for the Fire Chief and General Manager - Emergency Management, Toronto Fire Services to negotiate and enter into a non-competitive agreement with MetalCraft Marine Ltd. for the supply and delivery of a 50 foot twin diesel engine, jet propulsion, shallow draft firefighting vessel in the amount of \$2,948,169 net of HST (\$3,000,056 net of HST recoveries). This purchase will assist Toronto Fire Services (TFS) in maintaining operational readiness to respond to emergency and critical incidents throughout the Toronto waterfront, specifically with emergency responses to the east and western beach areas, the marina and shallow areas of the Toronto Island, and tributaries feeding Lake Ontario.

TFS currently utilizes two (2) firefighting vessels. The William Lyon Mackenzie, manufactured in 1964, is an 82 foot steel hull tugboat operated for significant firefighting water-flow at emergency scenes, heavy water rescue operations outside the harbour, and ice breaking within the harbour limits to reduce ice damage and maintain ferry traffic.

The second vessel, the William Thornton, manufactured in 1982, is a 75 foot aluminum hull repurposed Canadian Coast Guard vessel, used for faster response for medical emergencies and a back-up to the larger vessel if it is out of service for maintenance. If kept in service as currently outfitted, the vessel requires significant up-fitting to make it compliant to the revised National Fire Protection Administration (NFPA) and Transport Canada (TC) marine standards to be a fully functional fire response vessel.

TFS is seeking a non-competitive contract to purchase a replacement for the William Thornton due to a lack of qualified manufacturers with experience in building such specialized vessels. A request for information and notice of intended procurement were posted on the city's website to notify as many potential suppliers as possible. Multiple Suppliers were researched and contacted referencing the basic type of vessel required. Only one response was received from MetalCraft Marine that indicated they produced this type of marine firefighting and rescue style vessel. Additionally, this manufacturer is located locally in Kingston, Ontario where they maintain a sole manufacturer/dealer/repair facility, providing access to warranty service and parts necessary for repairs or replacement.

RECOMMENDATIONS

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

1. City Council authorize the Fire Chief and General Manager - Emergency Management, Toronto Fire Services to negotiate and enter into a non-competitive agreement with MetalCraft Marine Ltd., for the supply and delivery of a shallow draft, high speed Firefighting vessel on the following terms and conditions:

a. the term of the contract will be for the supply, delivery, and training as required for the vessel specified, commencing at the time of purchase order issuance to July 02, 2023, with the amount of this non-competitive agreement being \$2,948,169 net of HST (\$3,000,056 net of HST recoveries); and

b. conditional upon terms and conditions that are satisfactory to the Fire Chief and General Manager-Emergency Management, Toronto Fire Services and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total potential contract award to MetalCraft Marine Ltd. identified in this report is \$3,331,430 including all applicable taxes and charges. The total potential cost to the City is \$3,000,056 net of HST recoveries.

Funding for the term of the contract is included in the 2022-2031 Recommended Capital Budget and Plan for Fleet Services in account CFL014-21, with budgeted commitments as noted in table 1, and a breakdown of how the commitments are allocated in table 2 as per the progression payments for the contract.

Funding	2022	2023	Total
CFL014-21	\$2,400,045	\$600,011	\$3,000,056

Table 1:	Funding	&	Cash Flow	Rec	quirements
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Table 2: Progression Payment Schedule

Milestones	Payment (%)	Amount (\$)	Year
Receipt of main cut parts and commencement of construction	20	600,011	2022
Completion of metal structure	30	900,017	2022
Engines, fire pumps, driveline on site	30	900,017	2022
Delivery and final inspection	20	600,011	2023
Total	100	3,000,056	

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

DECISION HISTORY

This is the first report to General Government and Licensing Committee for the supply and delivery of a 50 foot twin diesel engine, jet propulsion, shallow draft firefighting vessel. No decision history is available.

COMMENTS

Toronto Fire Services' (TFS) marine fleet is comprised of two purpose-specific vessels. The steel hulled Willian Lyon Mackenzie (WLM), first brought into service in 1964, has experienced significant retro-fitting throughout the years by replacing the propulsion engines, fire pump engines, electrical system, hull testing and repair, medical room outfitting, and wheelhouse improvements. The structural integrity of the hull allows this vessel to operate twelve months of the year, and is the sole icebreaker for the Toronto harbour. It maintains paths for the various ferry services and reduces ice pressure damage within the harbour itself. The WLM is a deep displacement style hull designed for heavy water operation, significant firefighting water supply, long term operation, ice breaking, and interaction with other emergency response providers including the military.

The William Thornton is a repurposed and decommissioned aluminum hull vessel, purchased from the Canadian Coast Guard in 2014 as an interim measure. While the vessel greatly improved emergency response times to the east and west limits of the waterfront, and is effective in rough waters, the hull design creates a significant and problematic wake, forcing responders to exit the harbour at very low speed. Its limited firefighting capabilities is just one of the required retrofits if the vessel is to stay in service long term. The cost of full retrofit to bring this vessel closer to the revised National Fire Protection Administration (NFPA) and Transport Canada (TC) marine standards has been estimated between \$1.9 and \$2.2 million dollars. Given the high cost of retrofitting the William Thornton, staff investigated alternatives including the purchase of a new purpose built vessel that can meet the needs for a back up to the WLM and greatly enhance the emergency response along the City's waterfront.

As staff considered procurement options, Request for Information (RFI) Ariba Document Number Doc3189133692 was issued on the City's procurement system in order to ascertain potential Suppliers producing this type of specialized vessel. TFS staff, PMMD personnel, and representatives from Ernst & Young all researched the market for potential Suppliers. Invitations were sent directly to five potential Suppliers with a follow up email prior to the closing deadline. Only one Supplier responded to the RFI identifying they have experience building this style of emergency response vessel with the requirements to make it a functional fire boat.

Given the results of the RFI, a non-competitive procurement process is being recommended so that TFS can ensure it has a long term and effective vessel to provide firefighting support along the City's waterfront. Unlike the current vessel design, requiring slow speed exit of the harbour due to wake restrictions, this vessel design allows high speed response directly from the dock, with compliant firefighting capabilities and provisions for certified patient care and transport.

The Fair Wage Office has reported that MetalCraft Marine Ltd. has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to fully comply.

CONTACT

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SIGNATURE

Jim Jessop Acting Fire Chief and General Manager - Emergency Management, Toronto Fire Services

Michael Pacholok Chief Procurement Officer