

Amendment to various Blanket Contracts for Fire and Life Safety, Inspection, Test and Maintenance Services for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Corporate Real Estate Management

Date: October 16, 2023

To: General Government Committee

From: Executive Director, Corporate Real Estate Management and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to amend blanket contracts 47023983 issued to Tyco Integrated Fire & Security, 47023985 issued to JD Collins Fire Protection Company, 47023986 issued to Onyx Fire Protection Services Inc., 47023988 issued to Eurotech Safety Inc. and 47023987 issued to Greater Toronto Fire Protection Ltd.

The amendments are required as several fire and life safety system deficiencies were identified in several City real estate buildings through the normal course of work undertaken via the fire and life safety program and through due diligence work as new City assets are brought into use (emergency and/or temporary shelters). While the contracts are overspent, the amendments will bring the blanket contracts back into compliance and will also avoid future over expenditures in the option year term and ensure uninterrupted service.

The cumulative amendment value requested for all five contracts is \$5,575,000 net of all taxes and charges (\$5,673,120, net of Harmonized Sales Tax recoveries), increasing the combined total contract value from \$7,796,883 net of all taxes and charges (\$7,934,108 net of Harmonized Sales Tax recoveries) to \$13,371,883 net of all taxes and charges (\$13,607,228 net of Harmonized Sales Tax recoveries).

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management, and the Chief Procurement Officer recommend that:

The General Government Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law) grant authority to amend:

1. Blanket Contract Number 47023983 issued to Tyco Integrated Fire & Security to provide fire and life safety inspection, testing and maintenance service for Parks, Forestry and Recreation in the amount of \$725,000 net of all taxes and charges (\$737,760 net of Harmonized Sales Tax recoveries), increasing the contract value from \$2,376,018 to \$3,101,018 net of all taxes and charges (\$3,155,596 net of Harmonized Sales Tax recoveries).
2. Blanket Contract Number 47023985 issued to JD Collins Fire Protection Company to provide fire and life safety inspection, testing and maintenance service for the Emergency Services Divisions in the amount of \$575,000 net of all taxes and charges (\$585,120 Harmonized Sales Tax recoveries), increasing the contract value from \$1,740,397 to \$2,315,397 net of all taxes and charges (\$2,356,148 net of Harmonized Sales Tax recoveries).
3. Blanket Contract Number 47023986 issued to Onyx Fire Protection Services Inc. to provide fire and life safety inspection, testing and maintenance service for all City of Toronto Divisions in the amount of \$625,000 net of all taxes and charges (\$636,000 net of Harmonized Sales Tax recoveries), increasing the contract value from \$1,183,810 to \$1,808,810 net of all taxes and charges (\$1,840,645 net of Harmonized Sales Tax recoveries).
4. Blanket Contract Number 47023988 issued to Eurotech Safety Inc. to provide fire and life safety inspection, testing and maintenance service for all City of Toronto Divisions in the amount of \$1,125,000 net of all taxes and charges (\$1,144,800 net of Harmonized Sales Tax recoveries), increasing the contract value from \$1,315,716 to \$2,440,716 net of all taxes and charges (\$2,483,673 net of Harmonized Sales Tax recoveries).
5. Blanket Contract Number 47023987 issued to Greater Toronto Fire Protection Ltd. to provide fire and life safety inspection, testing and maintenance service for all Civic Centers in the amount of \$2,525,000 net of all taxes and charges (\$2,569,440 net of Harmonized Sales Tax recoveries), increasing the value from \$1,180,942 to \$3,705,942 net of all taxes and charges (\$3,771,167 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

The amendments to Blanket Contract Number 47023983 issued to Tyco Integrated Fire & Security, Blanket Contract Number 47023985 issued to JD Collins Fire Protection Amendments to various Fire and Life Safety Services Contracts

Company, Blanket Contract Number 47023986 issued Onyx Fire Protection Services Inc., Blanket Contract Number 47023987 issued to Greater Toronto Fire Protection Ltd., and Blanket Contract Number 47023988 issued to Eurotech Safety Inc. are valued at \$5,575,000 net of all taxes and charges (\$5,673,120 net of Harmonized Sales Tax recoveries), increasing the combined total contract value from \$7,796,883 net of all taxes and charges (\$7,934,108 net of Harmonized Sales Tax recoveries), to \$13,371,883 net of all taxes and charges (\$13,607,228 net of Harmonized Sales Tax recoveries).

Funding is available in the 2023 Council Approved Operating Budget for Corporate Real Estate Management for the Fire and Life Safety Services under FA100-30.S and FA100-130.S, GL 4424 and 4431.

The breakdown by contract and supplier is summarized in Table 1 below.

Table 1: Contract Amendment Summary

Item #	Supplier	Blanket Contract	Cost Centre / Cost Element	Net of HST Recoveries
1	Tyco Integrated Fire & Security	47023983	FA100-30.S, FA100-130S / 4424, 4431	\$3,155,596
2	JD Collins Fire Protection Company	47023985	FA100-30.S, FA100-130S / 4424, 4431	\$2,356,148
3	Onyx Fire Protection Services Inc	47023986	FA100-30.S, FA100-130S / 4424, 4431	\$1,840,645
4	Greater Toronto Fire Protection	47023987	FA100-30.S, FA100-130S / 4424, 4431	\$3,771,167
5	Eurotech Safety Inc	47023988	FA100-30.S, FA100-130S / 4424, 4431	\$2,483,673
Total (net of HST recoveries)				\$13,607,228

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

DECISION HISTORY

At its meeting on October 6, 2021, the Bid Award Panel adopted item BA156.3 Award of Ariba Document Number 2991939737 to Various suppliers for the Fire and Life Safety, Inspection, Test and Maintenance Services for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Various Divisions.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.BA156.3>

COMMENTS

Amendments to various Fire and Life Safety Services Contracts

Background

In 2021, Corporate Real Estate Management issued Request for Proposal Document Number 2991939737 for the provision of inspection, testing, maintenance and repairs to the Fire and Life Safety, Inspection, Test and Maintenance Services for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants (“Contracted Services”). The Contracted Services are used to support its day-to-day operational work. Over the course of the contract period, deficiencies in life safety systems that required rectification were identified through the normal course of work undertaken by the fire and life safety program and through due diligence work as new City assets are brought into use (emergency and/or temporary shelters). Immediate rectification of deficiencies is necessary to ensure compliance with the Ontario Fire Code and ensure life safety. Further details are provided below:

1. Emergency capital repairs to ensure Ontario Fire Code compliance

Regular life safety inspections at all City sites are required by the Ontario Fire Code. During the inspections, when high risk fire and life safety system deficiencies are found, immediate rectification is required to ensure Fire Code compliance. Addressing these deficiencies while necessary, is unplanned work, and required City staff to leverage its Contracted Services, however, it does result in high compliance of life safety systems.

2. Replacement of expired fire extinguishers

As part of the consolidation of fire and life safety responsibilities of City Divisions under Corporate Real Estate Management, a baseline review of existing fire suppression apparatuses was conducted. The review discovered thousands of fire extinguishers that were expired and required immediate replacement. The replacement cost resulted in an unplanned expense of \$440,000 (net of all taxes).

To prevent future unplanned costs related to the purchase or replacement of fire extinguishers, Corporate Real Estate Management has competitively procured a fire extinguisher provider through a Request for Quotation which was awarded in September 2023.

3. Onboarding newly acquired real estate assets

When the Request for Proposal was issued in 2021, the scope included the provision of services to the existing City real estate portfolio. The expansion of City’s shelter sites operated has resulted in locations added to the contracts in addition to other sites acquired since the RFP was awarded in 2021 that necessitate the purchase order amendment.

Therefore this purchase order amendment will add additional room to the contract that will provide some flexibility to address future real estate acquisition needs for the remainder of the contract term.

4. Providing Social Services portfolio coverage

Ensuring service delivery to the Community and Social Services Divisions

During the award of the Request for Proposal in 2021, one (1) of the six (6) recommended suppliers unexpectedly withdrew from the contract, leaving client Divisions within the Community and Social Services Service Area (Shelter Support and Housing Administration, Children Services, and Senior Services and Long-Term Care divisions) without a dedicated service provider. The Community and Social Services Service portfolio was originally awarded to Vipond Inc. for an approved contract value of \$1,396,188 net of all taxes (\$1,420,761 net of Harmonized Sales Tax recoveries). However, to ensure that the locations within the Community and Social Services portfolio received adequate fire and life safety service, the portfolio was split between the remaining five suppliers. At the time the total contract value of each of the five remaining suppliers were not increased.

Due to the experience of managing significant unplanned work, as detailed in this report, and after consultation with Purchasing and Materials Management, the next most compliant proponent from the 2021 competitive procurement process, Greater Toronto Fire Protection Ltd., was awarded the remainder of the Community and Social Services portfolio contract by way of an amendment to the existing agreement. The amendment is necessary to sustain the Social Services portfolio for the remainder of the initial contract term, ending on September 30, 2024.

Conclusion

The cumulative amendment value of \$5,575,000 net of all taxes and charges (\$5,673,120 net of Harmonized Sales Tax recoveries) for current and forecasted over-expenditures will allow the existing five suppliers to continue to provide contracted fire and life safety services as required to the contract renewal date of September 30, 2024.

CONTACT

Ryan Duggan, Director, Fire and Life Safety Program Office, Corporate Real Estate Management, 416-338-7283, Ryan.Duggan@toronto.ca

Clarman Yang, Acting Manager, Purchasing Client Services, Purchasing and Materials Management, 416-392-1302, Clarman.Yang@toronto.ca

SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

Geneviève Sharkey
Chief Procurement Officer