

Award of Doc4556210399 to Multiple Suppliers for Fire and Life Safety, Inspection, Test and Maintenance for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Various City Divisions

Date: March 24, 2025

To: General Government Committee

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

Wards: All

SUMMARY

Corporate Real Estate Management (CREM) and Purchasing and Materials, Management Division (PMMD) recently completed Request for Proposal (RFP) Doc4556210399 for the provision of Fire and Life Safety, Inspection, Test and Maintenance for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Various City of Toronto Divisions. The three recommended suppliers under this report, together with the three recently awarded suppliers by Bid Award Panel (BA112.3), will provide inspection, testing and maintenance services to all City Divisions through CREM's centralized fire and life safety program. A total of six suppliers is required given the extensive portfolio of facilities CREM services, encompassing over 1,000 buildings and approximately 185,000 fire and life devices.

This RFP expands existing services and provides a one stop solution for City-wide fire and life safety services through two streams of critical work to ensure issues and deficiencies can be addressed promptly:

1. Operational services: annual and semi-annual fire life safety inspections, testing and maintenance; and
2. As-required capital services: estimated upset limits in contract capacity to address any potential capital requirements identified during annual inspections and through the addition of new facilities.

On an annual basis, CREM includes provisions in both its operating and capital budget to deliver its centralized fire and life safety program to all City Divisions to ensure that City facilities are in compliance with the Ontario Fire Code.

The capital portion of the RFP is allocated to the City-wide State of Good Repair (SOGR) Program in the 2025-2034 Capital Budget and Plan for Corporate Real Estate Management and other City Divisions where needed. This amount strictly serves as an upset limit and will be utilized on an as-required basis, subject to funding availability. This approach of including as-required capital services contract capacity within the RFP minimizes the need for repeated procurement processes when major capital work is required and contributes to cost savings driven by economies of scale through one pooled procurement call. It also ensures one vendor has full oversight of all fire and life safety systems at a property, rather than dividing the responsibility between operational and capital work between two vendors. This will also assure only City of Toronto vetted and qualified vendors are conducting work on City fire and life safety systems.

The agreements have an initial term of three years, from the date of award, until December 31, 2027. The City will have the option to extend the agreements for an additional two-year period under the same terms and conditions. If this option is exercised, the Executive Director of Corporate Real Estate Management will request the Chief Procurement Officer to process the renewals accordingly.

This report seeks authority to award the contracts to EPI Fire Protection Inc., Tyco Integrated Fire & Security (o/a Johnson Controls) and Control Fire Systems Ltd being among the Highest Scoring Suppliers based on the evaluation criteria included in the solicitation and meeting the requirements of the solicitation. The combined total potential contract awards for all three suppliers, including option period, is up to \$110,558,332 net of all applicable taxes and charges (\$112,504,159 net of Harmonized Sales Tax recoveries).

RECOMMENDATIONS

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

1. City Council, in accordance with Section 195-8.4 of Toronto Municipal Code Chapter 195 (Purchasing By-law), authorize the Executive Director, Corporate Real Estate Management to award and enter into agreements for the provision of Fire and Life Safety, Inspection, Test and Maintenance for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants, for an initial contract term of three years from date of award until December 31, 2027 with a two-year option period, with the following suppliers:
 - a. EPI Fire Protection Inc., for an initial contract value of up to \$24,511,922 net of all applicable taxes and charges (\$24,943,331 net of Harmonized Sales Tax recoveries), of which \$2,228,357 is for operational services, and \$22,283,565 is for as-required capital services, and option renewal contract value of up to \$16,831,520 net of all applicable taxes and charges

(\$17,127,754 net of Harmonized Sales Tax recoveries), for a total potential contract value of up to \$41,343,441 net of all applicable taxes and charges (\$42,071,086 net of Harmonized Sales Tax recoveries).

- b. Tyco Integrated Fire & Security, for an initial contract value of up to \$15,426,352 net of all applicable taxes and charges (\$15,697,855 net of Harmonized Sales Tax recoveries), of which \$1,402,396 is for operational services, and \$14,023,956 is for as-required capital services, and option renewal contract value of up to \$10,592,761 net of all applicable taxes and charges (\$10,779,194 net of Harmonized Sales Tax recoveries), for a total potential contract value of up to \$26,019,113 net of all applicable taxes and charges (\$26,477,049 net of Harmonized Sales Tax recoveries).
- c. Control Fire Systems Ltd, for an initial contract value of up to \$25,610,145 net of all applicable taxes and charges (\$26,060,884 net of Harmonized Sales Tax recoveries), of which \$2,328,195 is for operational services, and \$23,281,950 is for as-required capital services, and option renewal contract value of up to \$17,585,633 net of all applicable taxes and charges (\$17,895,140 net of Harmonized Sales Tax recoveries), for a total potential contract value of up to \$43,195,778 net of all applicable taxes and charges (\$43,956,024 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

The combined total potential contract awards for all suppliers identified in this report, including option period, is up to \$110,558,332 net of all applicable taxes and charges, and \$124,930,915 including all applicable taxes and charges. The combined total potential cost to the City, including option period, is up to \$112,504,159 net of Harmonized Sales Tax recoveries.

The cash flow funding requirement for this service is summarized in Table 1 below.

Table 1: Financial Impact Summary of Recommended Contracts (net of Harmonized Sales Tax recoveries)

	Corporate Real Estate Management (Operating Budget):	Corporate Real Estate Management (CREM Capital Budget)*:	City Divisions (Non-CREM Capital Budget)*:	Total
Cost Center	FA100-30.S	CCA259-01	Various WBS	
GL Account Info	4431		Various	
From date of award to December 31, 2025	\$2,021,275	\$4,102,736	\$16,110,013	\$22,234,024
January 1, 2026 to December 31, 2026	\$2,021,275	\$4,102,736	\$16,110,013	\$22,234,024
January 1, 2027 to December 31, 2027	\$2,021,275	\$4,102,736	\$16,110,013	\$22,234,024
Option Period 1: January 1, 2028 to December 31, 2029	\$4,163,826	\$8,451,636	\$33,186,626	\$45,802,087
Total	\$10,227,651	\$20,759,844	\$81,516,665	\$112,504,159

*City Divisions order fire and life safety services on an as-required basis and as approved in their respective capital and operating budgets. Numbers are estimates only based on planned maintenance for non-lifecycle and lifecycle management needs.

Funding in the amount of \$2,021,275 net of Harmonized Sales Tax recoveries is included in the 2025 base Operating Budget Submission for Corporate Real Estate Management and will continue to be included in the base operating budget for years 2026 and 2027. Should the City choose to exercise the option to renew for an additional two-year period, funding will be included in future Operating Budget submissions for Corporate Real Estate Management.

Funding in the amount of \$20,759,844 net of Harmonized Sales Tax recoveries is included in the 2025-2034 Capital Budget and Plan for Corporate Real Estate Management. This is a regular state of good repair component of the Fire and Life

Safety lifecycle replacement plan. The remaining upset limit of \$81,516,666 net of Harmonized Sales Tax recoveries will be used as needed, subject to funding in the 2025-2034 Capital Budget and Plan for other City Divisions.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information as presented in the Financial Impact Section.

DECISION HISTORY

At its meeting on December 23, 2024, Bid Award Panel adopted BA112.3, approving award to JD Collins Fire Protection, Greater Toronto Fire Protection Ltd. and Onyx Fire Protection Services Inc. for "Fire and Life Safety, Inspection, Test and Maintenance Services for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Various City Divisions". The contract award value to each Supplier was below Twenty Million Dollars, and within the authority of the Bid Award Panel.

[Agenda Item History - 2024.BA112.3](#)

At its meeting on November 20, 2024, General Government Committee adopted GG18.36 "2023 Update on Fire and Life Safety Compliance at the City of Toronto," which provided status on the City's work to address the Council-adopted recommendations put forth by the Auditor General in AU13.11 "Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services to the City of Toronto."

[Agenda Item History - 2024.GG18.36](#)

At its meeting on November 20, 2024, General Government Committee adopted GG18.14 "Amendment to Various Blanket Contracts and Purchase Order for Fire and Life Safety, Inspection, Test and Maintenance Services for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants" which requested additional contract value for several Fire and Life Safety Contracts.

[Agenda Item History - 2024.GG18.14](#)

At its meeting on July 23, 2018, City Council adopted AU13.11 "Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services to the City of Toronto," and issued multiple directions to the General Manager, Facilities Management and other City staff to improve the management and delivery of fire and life safety service at City buildings. In adopting the item, City Council directed the General Manager, Facilities Management to report back to City Council annually on the level of fire and life safety compliance.

[Agenda Item History - 2018.AU13.11](#)

COMMENTS

Background

In 2021, RFP Doc2991939737 was issued for the provision of inspection, testing, maintenance and repairs to fire alarm, sprinkler, standpipe, special suppression, fire extinguisher, and fire hydrants. As a result, five separate blanket contracts were awarded to provide annual fire and life safety inspection services and ensure the City's fire and life safety systems are maintained in compliance with Ontario Fire Code requirements and to address 2018 Auditor General recommendations to improve the City's management and delivery of fire and life safety service at City buildings.

The 2021 contracts for fire and life safety lacked sufficient capacity to provide services for emergency response, new property acquisitions, emergency temporary shelters, and SOGR projects. This resulted in the fire and life safety contracts requiring multiple amendments to maintain financial compliance. The 2021 contracts have now expired and this new RFP Doc4556210399 addresses a significantly expanded scope of approximately 185,000 devices, incorporates lessons learned from the first three years of Safety and Compliance's initial operations and future-proofs the contracts for both anticipated growth and unforeseen emergencies.

Contract Award

RFP Doc4556210399 replaces the five expired 2021 blanket contracts. The three recommended suppliers under this report, together with the three recently awarded suppliers by Bid Award Panel (BA112.3), will provide inspection, testing and maintenance services to all City Divisions through CREM's centralized fire and life safety program. A total of six suppliers is required given the extensive portfolio of buildings CREM services, encompassing over 1,000 buildings and approximately 185,000 fire and life devices. This RFP expands services and provides a one stop solution for City-wide fire and life safety services through two streams of critical work to ensure issues and deficiencies can be addressed promptly:

1. Operational services: annual and semi-annual fire life safety inspections, testing and maintenance; and
2. As-required capital services: estimated upset limits in contract capacity to address any potential capital requirements identified during annual inspections and through the addition of new facilities.

On an annual basis, CREM includes provisions in both its operating and capital budget to deliver its centralized fire and life safety program to all City Divisions to ensure that City facilities are in compliance with the Ontario Fire Code.

Operational Services: Annual and Semi-Annual Inspections

Over the next five years, \$10,227,651 has been allocated in CREM's approved budget for annual and semi-annual fire and life safety inspections, testing and maintenance

work. This value is fully funded and is in place to ensure all City fire and life safety assets remain in a state of compliance with regulatory requirements.

As-required Capital Services: Upset Limit in Contract Capacity

Over the next five years, \$20,759,844 has been allocated in CREM's approved budget for the sustainment of the current fire and life safety program. This value is also fully funded and in place to ensure all fire and life safety assets remain in a state of compliance with regulatory requirements and to continue to address the 15-year SOGR backlog on the City's fire and life safety systems. This amount strictly serves as an upset limit and will be utilized on an as-required basis when capital requirements are identified during the annual and semi-annual inspections.

The as-required capital services contract capacity within the RFP in the amount of \$81,516,665 is allocated to the City-wide SOGR Program and is available to all City of Toronto Divisions who have approved SOGR budgets. This amount strictly serves as an upset limit and will be utilized on an as-required basis, subject to funding availability. When capital services are required, work will be funded through each respective Division's approved 2025 to 2034 capital budgets.

This approach of including as-required capital services contract capacity within the RFP provides a number of benefits:

- Minimizes the need for repeated procurement processes when major capital work is required and contributes to cost savings driven by economies of scale through one pooled procurement call;
- Ensures a single vendor has full oversight of all fire and life safety systems at a property, rather than dividing the responsibility between operational and capital work between two vendors; and
- Ensures only City of Toronto vetted and qualified suppliers are conducting work on City fire and life safety systems, addressing a gap where suspended suppliers who provided low quality services were found to be working for the City of Toronto as sub-contractors.

Contract Summary by Supplier

EPI Fire Protection Inc.

The contract with EPI Fire Protection Inc. ("EPI") will service 477 Parks and Recreation ("P&R") facilities. Over the potential five-year contract, the EPI portion of the RFP in the amount of \$3,824,644 (net of Harmonized Sales Tax recoveries) is to perform annual and semi-annual fire and life safety system inspections in all P&R buildings. CREM has allocated an upset limit of \$7,763,172 (net of Harmonized Sales Tax recoveries) in contract capacity with EPI to provide as-needed capital services to the 29,286 existing fire and life safety assets within P&R facilities. This contract additionally sets aside an upset limit of \$30,483,270 (net of Harmonized Sales Tax recoveries) in contract capacity to allow P&R to leverage EPI capital services on an as-required basis and as approved in their capital budgets. Table 2 below provides a breakdown of the contract values with EPI.

Table 2: Summary of EPI Contract Value (net of Harmonized Sales Tax recoveries) Over the Potential Five-Year Term

Description	Amount
CREM Operating Budget	\$3,824,644
CREM Capital Budget (upset limit)	\$7,763,172
Non-CREM Capital Budget (upset limit)	\$30,483,270
Total	\$42,071,086

Control Fire Systems Ltd.

The contract with Control Fire Systems Ltd. (“Control Fire”) will service 237 Toronto Water, Solid Waste Management Services and shared yards facilities. Over the potential five-year contract, the Control Fire portion of the RFP in the amount of \$3,996,002 (net of Harmonized Sales Tax recoveries) is to perform annual and semi-annual fire and life safety system inspections in all Toronto Water, Solid Waste Management Services and shared yard buildings. CREM has allocated an upset limit of \$8,110,991 (net of Harmonized Sales Tax recoveries) in contract capacity with Control Fire to provide as-needed capital services to the 19,910 existing fire and life safety assets within the Toronto Water, Solid Waste Management Services and yard facilities. This contract additionally sets aside an upset limit of \$31,849,031 (net of Harmonized Sales Tax recoveries) in contract capacity to allow Toronto Water, Solid Waste Management Services and the City Divisions residing within the yards, to leverage Control Fire capital services on an as-required basis and as approved in their respective capital and operating budgets. Table 3 below provides a breakdown of the contract values with Control Fire.

Table 3: Summary of Control Fire Contract Value (net of Harmonized Sales Tax recoveries) Over the Potential Five-Year Term

Description	Amount
CREM Operating Budget	\$3,996,002
CREM Capital Budget (upset limit)	\$8,110,991
Non-CREM Capital Budget (upset limit)	\$31,849,031
Total	\$43,956,024

Tyco Integrated Fire & Security (o/a Johnson Controls)

The contract with Tyco Integrated Fire & Security (o/a Johnson Controls) (“Johnson Controls”) will service 170 Toronto Police, Toronto Fire Services and Paramedic Services facilities. Over the potential five-year contract, the Johnson Controls portion of

the RFP in the amount of \$2,407,004 (net of Harmonized Sales Tax recoveries) is to perform annual and semi-annual fire and life safety system inspections in all Toronto Police, Toronto Fire and Toronto Paramedic Services buildings. CREM has allocated an upset limit of \$4,885,681 (net of Harmonized Sales Tax recoveries) in contract capacity with Johnson Controls to provide as-needed capital services to the 23,542 existing fire and life safety assets within the Toronto Police, Toronto Fire Service and Paramedic Services facilities. This contract additionally sets aside an upset limit of \$31,849,031 (net of Harmonized Sales Tax recoveries) in contract capacity to allow Toronto Police, Toronto Fire and Toronto Paramedic Services, leverage Johnson Controls capital services on an as-required basis and as approved in their respective capital budgets. Table 4 below provides a breakdown of the contract values with Johnson Controls.

Table 4: Summary of Johnson Controls Contract Value (net of Harmonized Sales Tax recoveries) Over the Potential Five-Year Term

Description	Amount
CREM Operating Budget	\$2,407,004
CREM Capital Budget (upset limit)	\$4,885,681
Non-CREM Capital Budget (upset limit)	\$19,184,365
Total	\$26,477,050

Procurement Process

Request for Proposal Doc4556210399 for the provision of Fire and Life Safety, Inspection, Test and Maintenance for Fire Alarm, Sprinkler, Standpipe, Special Suppression, Fire Extinguisher, and Fire Hydrants for Various City of Toronto Divisions, was issued by Purchasing and Materials Management Divisions and was advertised on both the City’s and Ariba Discovery websites on August 16, 2024, and closed on September 16, 2024, and an issuance of four addenda. A total of six bid submissions were received, which are summarized in Table 5 below:

Table 5: Summary of Bids Received

Control Fire Systems Ltd
EPI Fire Protection Inc.
Greater Toronto Fire Protection Ltd*
JD Collins Fire Protection Company*
Onyx Fire Protection Services Inc.*
Tyco Integrated Fire & Security (o/a Johnson Controls)

*Suppliers were awarded by Bid Award Panel under BA112.3

Range of Scores: 60.83 to 92.12

Contract Term

The contract term is for an initial period of three years from date of award to December 31, 2027, with an option in favour of the City to extend the agreement on the same terms and conditions for a two-year period.

Fair Wage

The Fair Wage Office has reported that the recommended suppliers have indicated that they have reviewed and understood the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully with both.

CONTACT

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SIGNATURE

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