



Change Order: Additional Funding for Preventive Maintenance Services (all OUs Except OUF, OUL, and OUM) and Demand Repairs (all OUs Including OUF, OUL, and OUM) for Fire Alarm/Suppression Systems (RFP 18349)

Item 20

December 9, 2021

Board of Directors

Report: TCHC:2021-82

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee (“BIFAC”)

Date: November 30, 2021

PURPOSE:

The purpose of this report is to seek the Board’s approval for additional funds to contracts awarded under RFP 18349 to Eurotech Safety Inc., Greater Toronto Fire Protection, and TBR Mechanical/Electrical Inc. A change order of \$6,968,361.17 (exclusive of taxes) is requested based on the anticipated spend for preventive maintenance and demand repairs and includes:

- A 3 month extension for preventive maintenance services to all operating units including new developments, former contract managed sites in OUW, OUX and OUY but excluding operating units OUF, OUL and OUM which were covered under RFP 19390;
- A 3 month extension for demand repairs to all operating units including new developments, former contract managed sites in OUW, OUX, OUY and including OUF, OUL, and OUM;

- Additional funding for demand repairs completed to date, for the remainder of 2021 and for the 3 month extension.

Board approval is required for the recommended change order, as the cumulative amount exceeds the financial approval limit of Toronto Community Housing's ("TCHC") Procurement Award Committee ("PAC") and the Building Investment, Finance and Audit Committee ("BIFAC").

RECOMMENDATIONS:

It is recommended that the Board approve the following recommendations to:

1. Approve a change order to Eurotech Safety Inc., Greater Toronto Fire Protection, and TBR Mechanical/Electrical Inc. for \$6,968,361.17 (exclusive of taxes) for preventive maintenance services and demand repairs for fire alarm/suppression systems (RFP 18349); and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

BACKGROUND:

TCHC is required to perform preventive maintenance (specific inspections and tests) on fire alarm and suppressions systems as per the Ontario Fire Code ("OFC"). Inspections and tests are performed by both site staff and contracted services. Monthly inspections and tests will be performed by site staff.

On an annual basis, contracted services are required to inspect and test the following:

- Fire alarm, voice communication and interconnected systems;
- Suppression and sprinkler systems, including fire hose cabinets, hoses and valves, and hydrostatic testing (three years);
- Portable fire extinguishers;
- Fire pumps including jockey pumps and air compressors;

- Emergency generators;
- Audible pull stations;
- Smoke control systems;
- Integration of HVAC, maglocks, smoke controls, elevator system integration with the fire alarm/ suppression systems;
- Emergency lighting and fire exit signage; and
- Monthly test and inspections while performing the annual test and inspection.

On a semi-annual basis, contracted services are required to inspect and test the following:

- Mechanical waterflow alarm main supply and pressure switches, low pressure alarms, alarm signals at the fire alarm panel;
- Drip drums;
- Valves, system risers, and pressure; and
- Monthly test and inspections while performing Semi-Annual test and inspection.

On December 6, 2018, the Board of Directors approved the award for the delivery of preventive maintenance and demand repairs for fire alarm/suppression systems for a 5-year term based on the outcome of Request for Proposals (RFP) 18349 for the amount of \$34,839,376.00 for a term of up to five years (three-years, with the possibility of two additional one-year extensions at TCHC management's discretion).

The original award approved under VAC 18610 (RFP 18349) was awarded to EPI Fire Protection Inc. (EPI), Eurotech Safety Inc. (Eurotech), and Greater Toronto Fire Protection. Five groups of buildings were awarded under RFP 18349 based on best price and capacity. Due to vendor performance issues, preventive maintenance services for Group 5 (consisting of Operating Units F, L and M) were retendered to the open market under RFP 19390.

In December 2019, TBR Mechanical/Electrical Inc. (TBR) was awarded the work for a term of up to four years (two-years, with the possibility of

two additional one-year extensions at TCHC management's discretion) starting in January 2020 under VAC 19705 for OUF, VAC 19706 for OUL for and VAC 19707 for OUM.

Due to the significant changes experienced with the contracts issued under RFP 18349 as a result of changes with vendors and changes to scope of work, and the additional scope of work due to changes in code requirements, TCHC elected to tender a new RFP (RFP 21125) for these services rather than exercise the option to extend the existing contract.

REASONS FOR RECOMMENDATION:

Prior to the award of RFP 21125, an internal review of the award was requested. Until the internal review is complete, TCHC is unable to award RFP 21125. This change order is required to extend the current contract to maintain services and ensure the safety of tenants until RFP 21125 can be awarded no later than March 31, 2022.

Purchase Order and Change Order Summary

CO No.	VAC #	Approval Date	Description	Reason	Individual CO Amount
Direct Award	19193	2019	DA to TYCO for PM services following vendor performance issues with EPI (VAC 18610) resulting in vendor contract termination. Services for OUF,L,M June – Dec 2019	Vendor Performance	\$563,086.86
Direct Award	19193	2019	Minus funds not used for DA to TYCO 19193 (OUM)	Vendor Performance	-174,799.46
Direct Award	19547	2019	DA to Eurotech for PM services following a vendor performance issues with Tyco (DA 19193) resulting in vendor contract termination. Services for OUM Oct - Dec 2019	Vendor Performance	\$55,543.80
CO-1	20400	2020	CO for Preventive Maintenance to Eurotech for inclusion of 6 additional OUW sites	OUW – Additional Sites	\$42,886.00
CO-2	20399	2020	CO for Preventive Maintenance to Eurotech for inclusion of 20 additional OUW sites	OUW – Additional Sites	\$190,950.60
Current Contract Amount – Preventive Maintenance BPO adjustment (EPI 2019, 2020 & 2021)					\$ 6,179,890.98
Current Contract Amount – Demand Repairs					\$ 16,250,000.00
Cumulative approved change orders to date					\$ 677,667.62
Change order as requested in this report					\$ 6,968,361.17
Total Cumulative change orders					\$ 7,646,038.79
Original contract awarded (VAC 18610) 1-3 years					\$ 20,868,092.00
Original contract awarded (VAC 18610) 4 year Q1					\$ 1,794,581.36
Minus adjustment for Preventive Maintenance funds not used due to EPI termination					\$ - 910,450.00
Revised total contract amount (3 year term + Q1 2022)					\$ 29,398,262.15
Cumulative CO % of contract award/purchase order					35.15%

IMPLICATIONS AND RISKS:

The change order is recommended to ensure continued delivery of preventive maintenance and demand repairs as required by the Ontario Fire Code (specific inspections and tests) on fire alarm and suppression systems.

The recommended change order is in accordance with TCHC's current Procurement Policy. Pricing has been found to be reasonable and acceptable for the scope of work.

Performance will continue to be evaluated during the three month extension and can be used to help support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

Funding for the change order is within the TCHC Operating and Capital budgets. Preventive maintenance services will be funded through the SLA 5291 budget. Demand repairs will be funded through the Capital budget or the 5291 Operating Program.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

STAFF CONTACT:

Allen Murray, Vice President, Facilities Management
416-981-6955
Allen.Murray@torontohousing.ca