



Direct Award: Electrical Safety Authority's Continuous Safety Services Program (2024-2028)

Item 9J

November 2, 2023

Building Investment, Finance and Audit Committee

Report: BIFAC:2023-131

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Vice President, Facilities Management

Date: October 23, 2023

PURPOSE:

The purpose of this report is to seek the BIFAC's approval to award work to the Electrical Safety Authority ("ESA") for \$4,160,487.00 (exclusive of taxes) to enroll in the ESA's Continuous Safety Services Program to help ensure that TCHC is in compliance with the minimum standards required by the Ontario Electrical Safety Code.

BIFAC approval is required for this award as it exceeds the \$2.5 million financial approval limit of TCHC's Procurement Award Committee ("PAC").

This award is exempt under TCHC's Procurement Policy (goods or services from other public sector bodies or non-profit organizations).

RECOMMENDATIONS:

It is recommended that the BIFAC:

1. approve a direct award to Electrical Safety Authority for \$4,160,487.00 (exclusive of taxes) for the Continuous Safety Services Program for a 5-year term (2024-2028) as follows:
 - \$768,908.00 in 2024;
 - \$799,279.00 in 2025;
 - \$830,850.00 in 2026;

- \$863,668.00 in 2027;
- \$897,782.00 in 2028; and

2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

REASONS FOR RECOMMENDATIONS:

PROJECT BACKGROUND:

The ESA is designated pursuant to Ontario Regulation 89/99 as the authority responsible for electrical safety in the Province of Ontario including the administration and enforcement of the *Electricity Act, 1998*. In accordance with the Ontario Electrical Safety Code, periodic inspection is permitted by Rule 2-006 and is available only to customers covered by a Continuous Safety Service contract. In order to comply with the requirements of Section 113 of the Electricity Act and the Ontario Electrical Safety Code, a party not covered by a Continuous Safety Service contract is required to make an application for inspection of all electrical work in accordance with Rule 2-004.

The service offered by the ESA for periodic inspections through the Continuous Safety Services Program is designed to help TCHC comply with the minimum standards required by the Ontario Electrical Safety Code, and assist in identifying and remedying defects, hazards and faulty practices that could cause injury, property damage, or costly interruption of services. This service covers inspection of routine electrical maintenance work as described in the Ontario Electrical Safety Code.

The inspection of all electrical work is a legislated requirement, and this program will effectively allow the organization to meet its obligations under the Electricity Act. The contract does not cover inspections for capital work or for renovations, which requires an electrical permit for each project.

TCHC and its predecessor companies have participated in the ESA's Continuous Safety Services Program. This direct award is to continue with this practice.

PROCUREMENT PROCESS:

This award is exempt under TCHC's Procurement Policy (goods or services from other public sector bodies or non-profit organizations).

ESA is a private, not-for-profit organization and operates as a delegated authority on behalf of the Provincial government in accordance with the Electricity Act and Safety and Consumer Statutes Administration Act.

ESA has been appointed the sole authority to conduct electrical inspections under the Electrical Safety Act and as a result, is the only agency that is authorized to perform this task.

IMPLICATIONS AND RISKS:

The recommendation for the direct award is under an allowable exemption as identified under Exemption c) of TCHC's Procurement Policy.

Upon approval of this award, Strategic Procurement will pursue execution of the Application to the Continuous Safety Services Program and an amending agreement as applicable during the term of the agreement. Any amendment to this Agreement must be in writing and signed by both of the parties.

The Building, Mechanical and Electrical Program Manager, in consultation with other Facilities Management staff, has determined that the recommended vendor has the capability and capacity to deliver the work within the timeline. Participating in the Continuous Safety Services Program will mitigate risks for TCHC and demonstrate due diligence. The benefits of the program will provide TCHC with a proactive and preventive approach for electrical safety, safer workplaces, and compliance with the Ontario Electrical Safety Code.

Funding for this award is within the 2024 Operating Budget SLA.5261. Funding beyond 2024 will be included in annual budget submissions.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

STAFF CONTACT:

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