



## **Vendor Award: Preventive Maintenance for Fire/Alarm Suppression Systems and Fire Hydrant Testing, Inspection and Maintenance Services (Group 2)**

Item 81

December 6, 2023

Board of Directors

**Report: TCHC:2023-73**

**To:** Board of Directors (the “Board”)

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

**Date:** November 2, 2023

### **PURPOSE:**

The purpose of this report is to seek the Board of Directors’ approval to award work to Eurotech Safety Inc. up to \$9,256,192.35 (exclusive of taxes) for preventive maintenance services for fire/alarm suppression systems and fire hydrant testing, inspection and maintenance services in buildings in TCHC Central Region. The contract is for a three (3) year term based on the outcome of Request for Proposals (“RFP”) 23059.

Board of Directors (the “Board”) approval is required as it exceeds the \$5 million financial approval limit of the Building Investment, Finance and Audit Committee (“BIFAC”).

### **RECOMMENDATIONS:**

It is recommended that the Board:

1. approve the award of work to Eurotech Safety Inc. up to \$9,256,192.35 (exclusive of taxes) for fire/alarm suppression systems and fire hydrant testing, inspection and maintenance services – TCHC Central Region (Group 2 Operating Units J, K, L, and M) at the rates established based on the outcome of Request for Proposal (RFP) 23059 as follows:

- a. \$2,056,192.35 (exclusive of taxes) for preventive maintenance (PM) as follows: for the three years of the contract
    - i. up to 646,017.45 (annually) (exclusive of taxes) for three years of the initial contract];
    - ii. \$55,900.00 for Hydrostatic Testing preventive maintenance service that will be required in year two;
    - iii. \$62,240.00 Sprinkler Obstruction Testing and Internal Valve inspection for preventive maintenance service that will be required in year three;
  - b. up to \$7,200,000.00 (\$2,400,000.00 annually) (exclusive of taxes) for PM deficiency repair work only not in scope for three (3) years of the initial contract; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**BIFAC:**

This report was approved by the BIFAC on November 2, 2023.

**REASONS FOR RECOMMENDATIONS:****Project Background**

TCHC is required to perform preventive maintenance (specific inspections and tests) on fire alarm and suppressions systems as per the Ontario Fire Code. Annual and bi-annual 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 by code to inspect and test the following:

- Fire alarm, voice communication and interconnected systems;
- Suppression and sprinkler system, including fire hose cabinet, hoses and valve, hydrostatic testing (three years), and internal obstruction testing;
- Portable fire extinguishers;
- Fire pumps including jockey pumps and air compressors;
- Emergency generators;
- Audible pull stations;

- Smoke control systems;
- Integration testing of all systems, with the addition of HVAC, maglocks, smoke controls, elevator systems integration with the fire alarm/suppression systems;
- Emergency lighting and fire exits signage;
- Monthly test and inspections while performing the annual test and inspection.

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

- Mechanical water flow 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 the semi-annual test and inspection.

Contracted services are also required to perform demand repairs which are repairs on an as-needed basis when there is equipment failure and/or based on the results of inspections.

This work is required to maintain fire safety and fire suppression systems, and ensure all codes are met to ensure the health and safety of our tenants.

The existing contract commenced in January 1, 2023 and ends December 31, 2023. The new contract for this vendor will be for three years, commencing on January 1, 2024 to December 31, 2026. Work will not commence until this award has been approved, a Main Services Agreement – Life Safety Systems has been executed and the purchase order issued. Any significant delays in issuing the purchase order may impact the program schedule.

### **Procurement Process**

An RFP was issued on March 9, 2023 and closed on April 26, 2023. Three submissions were received. The submissions were evaluated through a three-stage process to determine lowest overall priced submission (including preventive maintenance and demand repairs).

TCHC and the Toronto Seniors Housing Corporation (“TSHC”) portfolio was divided into five separate groups for fire/alarm suppression systems and 1 group for fire hydrant testing, inspection and maintenance services. Proponents were required to submit a bid for all groups and were to be awarded a maximum of two groups based on their final score and by what is most advantageous for TCHC/TSHC.

Fire hydrant testing, inspection and maintenance services are to be awarded to the highest scoring proponent. This work is separate from the capacity limits mentioned in the paragraph above.

The recommendation is to award the work for Group 2 buildings to Eurotech Safety Inc. as the qualified submission.

See Confidential Attachment 1 for financial implications and details on pricing and rated criteria in relation to this award.

#### **IMPLICATIONS AND RISKS:**

A public RFP was issued and the recommendation is based on awarding the contract as per the RFP requirements. Thus, the risk of a proponent challenging the awarding of the contract is minimized.

Upon approval of this award, Strategic Procurement will pursue execution of Main Services Agreement – Life Safety Services with the recommended proponent.

Entry into tenant units is required to conduct inspections and tests on specific fire alarm and suppression systems. Key holder services will be provided. Timely and appropriate notification will be provided to gain entry into the tenant units and to notify tenants of planned disruptions and restrictions.

Fire Life Safety staff will continuously and rigorously monitor the performance of the recommended proponent during the course of the program. Performance will be evaluated in accordance with TCHC’s Vendor Compliance Evaluation System. Results gathered through program reviews can be used to support decisions to remove underperforming vendors from TCHC’s rosters and/or future bidding opportunities.

Funding for this award is within the program budget of the 2024 Operating Budget (SLA.5291 and OU Maintenance Budgets) and 2024 Capital Budget

(Demand Capital). Funding for future years budgets will be requested within the 2025 to 2026 Operating Budgets.

**SIGNATURE:**

*“Allen Murray”*

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Allen Murray  
Vice President, Facilities Management

**ATTACHMENT:**

**Confidential** Summary of Submissions

**Attachment 1:**

**Reason for Confidential Attachment:** Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.

**STAFF CONTACT:**

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