



## **Change Order: Preventative Maintenance Services and Demand Repairs for Fire Alarm/Suppression Systems: Eurotech Safety Inc. (VAC 22167/RFP 21125)**

Item 3A

April 25, 2022

Building Investment, Finance and Audit Committee

**Report: BIFAC:2022-61**

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

**From:** Vice President, Facilities Management

**Date:** April 19, 2022

### **PURPOSE:**

The purpose of this report is to seek the BIFAC's approval of a change order of up to \$3,239,161.94 (exclusive of taxes) to Eurotech Safety Inc. for preventative maintenance services and demand repairs for fire alarm/suppression systems at TCHC direct managed buildings in the Central Region (OUJ, OUK, OUL and OUM) and Seniors West Region (OUO and OUQ) that have fire alarm suppression systems based on a direct award contract awarded under VAC 22167 on March 30, 2022.

BIFAC approval is required for the recommended change order, as approval of the change orders to direct awards is beyond the authority of the Procurement Award Committee ("PAC") and the cumulative amount of all change orders is greater than 20% of the original contract amounts.

### **RECOMMENDATIONS:**

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

1. approve a change order for up \$3,239,161.94 (exclusive of taxes) to Eurotech Safety Inc. preventative maintenance services and demand

repairs for fire alarm/suppression from May 01, 2022 to December 31, 2022 as follows:

- a) \$539,161.94 for preventative maintenance;
  - b) \$2,700,000.00 for demand repairs; and
2. authorize the appropriate staff to take all other necessary actions to give effect to the above recommendations.

### **PROJECT BACKGROUND:**

TCHC is required to perform preventative 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;
- 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;
- HVAC, maglocks, smoke control, elevator system integration with the fire alarm/suppression systems;
- Emergency lighting and fire exit signage; and
- Open isolators and grounds are required to be tested on every input and output zone.

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

- Mechanical waterflow alarm main supply and pressure switches, low pressure alarms, alarm signals at the fire alarm panel;
- Valves, system risers, and pressure; and
- Drip drums

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.

### REASONS FOR RECOMMENDATIONS:

TCHC issued a public tender (RFP 21125 and RFQ 21247) to refresh the program, which was approved at the March 8, 2022 BIFAC meeting. The current contract expired on March 31, 2022 and the next TCHC Board of Directors meeting will be held on April 25, 2022. Therefore FM-Life Safety Systems submitted a direct award to Eurotech Safety Inc. for the preventative maintenance and demand repairs service for the month of April 2022 to ensure uninterrupted service.

Due to circumstances outside the control of Facilities Management, the new program as approved at the March 2022 BIFAC could not proceed to the Board for approval. This change order is required to extend the direct award contract from May 01, 2022 to December 31, 2022. To date, no previous change orders have been approved for this program. With approval of this request, total cumulative change orders equal \$3,239,161.94 and are equivalent to 1001.57% of the original purchase order issued as shown in Table 1. The revised total contract amount is \$3,562,569.94.

**Table 1: Change Order Summary**

Scope of Work		Reason for Change	Value
1	Extension of Direct Award for eight (8) additional months of preventative maintenance and demand services.	TCHC Directed	\$3,239,161.94
<b>Approved Change Orders to Date</b>			<b>\$0.00</b>
Recommended Change Order			\$3,239,161.94
<b>Total Cumulative Change Orders</b>			<b>\$3,239,161.94</b>
Original contract awarded (VAC 22167)			\$323,408.00
Revised contract award			\$3,562,569.94
<b>Cumulative Change Order %</b>			<b>1001.57%</b>

**IMPLICATIONS AND RISKS:**

This work is required to maintain fire safety and fire suppression systems and ensure all codes are met and recommended to ensure the health and safety of our tenants. The extension of the direct award will support the program and ensure the on-going safety of tenants. If the matter which prohibited the original program award from going to the Board is not resolved in a timely manner, a further extension may be required.

The recommended change order is in accordance with TCHC's current Procurement Policy.

To mitigate risks, staff continuously and rigorously monitor the performance of the vendor during the course of the program. Prior to demand repairs being completed, the work must be authorized by TCHC and then are subject to random inspections to ensure the work was completed satisfactory.

Funding for this award is within the program budget of the 2022 Operating Budget (SLA.5291).

**SIGNATURE:**

*"Allen Murray"*

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Allen Murray  
Vice President, Facilities Management

**STAFF CONTACT:**

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