

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE MEETING ON MONDAY, FEBRUARY 27, 2012
FROM:	TOM JOHNSON MANAGING DIRECTOR - CORPORATE ASSETS & JOHN W. KOBARDA, FIRE CHIEF
SUBJECT:	ADDITON TO No. 6 FIRE STATION PROJECT No. FO6-PP1176-11 TENDER No. 12-06

RECOMMENDATION

That, on the recommendation of the Managing Director - Corporate Assets and the Fire Chief:

- (a) The bid submitted by 668950 Ont. Inc. o/a Mycon Construction Ltd., 1615 N. Routledge Park #9, London Ontario, N6H 5L6 at its tendered price of \$487,750 (HST excluded) for the Addition to No. 6 Fire Station **BE ACCEPTED**; it being pointed out that the bid submitted by 668950 Ont. Inc. o/a Mycon Construction Ltd., was the lowest bid received and meets the City's specifications and requirements in all areas;
- (b) The financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) The Civic Administration **BE AUTHORIZED** to undertake all the administrative acts which are necessary in connection with this project; and
- (d) The approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract with the contractor for the work.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- February 25, 2009 – Station 14 Update.
- April 29, 2009 - Fire Master Plan – Organization & Resource Deployment Analysis for the London Fire Services.

BACKGROUND

Purpose:

This report is submitted to seek Council approval to enter into a formal contract with 668950 Ont. Inc. o/a Mycon Construction Ltd. for the Addition to No. 6 Fire Station.

Context:

In April of 2009, the London Fire Department (LFD) presented to Council the Master Fire Plan (Plan) completed by Tridata Systems. The Plan, which included a number of recommendations, proposed the redeployment of several of the LFD's frontline fire apparatus, with most being described in the February 2009 report to the Board of Control.

One of the redeployments identified in the Plan but not described within the aforementioned report concerned the placement of the Command Cars of which the Department has two (2), with currently one (1) at Station 2 on 1103 Florence Street and the second (2nd) at LFD Memorial Headquarters at 400 Horton St. Figure 1 (see Appendix C) depicts the 8-minute response areas of the Command Cars with Car 1 shown in orange and Car 2 in green. The figure also illustrates the significant response overlap in the central part of the City with a great deal of area to the north, northwest, west and southwest without Command Car coverage.

Based on a similar analysis, Tridata looked for efficiencies through redeployment and recommended moving Car 1 to Station 3; however, a further analysis undertaken by the LFD demonstrates Station 6 at 590 Oxford St. W. as a more effective placement of that vehicle. Figure 2 (see Appendix C) shows a maximization of the Command Car deployment proposed. This plan more effectively services the City than the current deployment and delays the need for a third Command Car. With the installation of the Business Intelligence software later in 2012, the Department will monitor the responses.

Noted above, the deployment delays the need to add a third Command Car, thereby containing a noteworthy cost. Labour costs in the Department represent approximately 95% of the operating budget and, as such, the cost to add a third Command Car is considerable, particularly since one of its two (2)-person crew is paid the second highest bargaining unit salary in the LFD. The 2012 labour cost to add a Command Car is estimated at \$1.1 million. With the renovation costing \$434,950, the cost avoidance represents a five (5) month return on investment.

Discussion:

The proposed single story addition to No. 6 Fire Stations includes:

- An apparatus bay for the Command Car,
- Living quarters for the firefighters, and
- Washroom/shower facilities.

The work is scheduled to start in April and completed by October 2012.

A separate price of \$52,800, not included in the base bid, to replace the existing fire station roof was submitted and its acceptance is recommended.

Tenders for the Addition to No. 6 Fire Station were received February 8, 2012. The bid submitted by 668950 Ont. Inc. o/a Mycon Construction Ltd., was the lowest of 8 bids received and meets the City's specification and requirements in all areas. A summary of bids received is attached as Appendix "B".

The bid submitted by 668950 Ont. Inc. o/a Mycon Construction Ltd., offers the best value to the City and it is recommended that they be awarded a contract for the work in accordance with Section 13 of the Procurement of Goods and Services Policy.

Impact on Annualized Operating Costs:

There will be additional annual operating costs associated with the approval of this project that can be accommodated within existing Fire Services budgets.

Acknowledgements:

This report was prepared by John Kobarda, Fire Chief, Tim Wellhauser and Daryl Diegel, Facilities Design & Construction.

SUBMITTED BY:	RECOMMENDED BY:
BILL CAMPBELL DIVISION MANAGER, FACILITIES	TOM JOHNSON MANAGING DIRECTOR CORPORATE ASSETS
RECOMMENDED BY:	
JOHN W. KOBARDA FIRE CHIEF	

Appendix "C" - Deployment of LFD Command Cars

cc: Martin Hayward, City Treasurer, Chief Financial Officer
Ross Fair, Executive Director, Community Services
Gwen Francis, Manager of Planning and Finance, Fire Department
Tim Wellhauser, Manager, Facilities Design & Construction