



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.2
Halifax Regional Council
August 4, 2009

TO: Mayor Kelly and Members of Halifax Regional Council

A handwritten signature in cursive script, appearing to read "Dan English".

SUBMITTED BY: _____
Dan English, Chief Administrative Officer

DATE: July 22, 2009

SUBJECT: Award - Purchase for Nine (9) Respirator Fit-Devices, Sole Source

ORIGIN

1. The immediate requirement to enhance HRM's ability to train HRM staff in the use of respirator fit test devices, and fit test HRM staff for N-95 respirators due to the increasing concern and the number of cases of H1N1 influenza.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. authorize an increase in the Capital budget, with funding from EMO Cost Recovery Reserve - Q314 to fund the purchase of respirator fit devices as per the budget implications section;
2. in accordance with the Sole Source Policy (Administrative Order 35, Section 7(8)), award the purchase of Nine (9) Respirator Fit-Testing Devices to Levitt Safety Limited in the amount of \$133,418.96 (net HST included), net of trade in value, with funding from Capital Account No. CEJ01265-Respirator Mask as per the Budget Implications section.

BACKGROUND

At present there is no process in place to face fit test HRM staff for N-95 respirators and with the steady increase in confirmed cases of H1N1 influenza, it is paramount that we start face fit testing as soon as practicable in case we are required to issued N-95 respirators earlier than anticipated. In some cases, business units have already issued N-95 respirators without fit testing employees. This absence of fit testing could result in a safety related complaint against the employer. Another mitigating factor is the fast rate of disease spread. This strain (H1N1) has a spread rate in six weeks what took 6 months in the last two pandemics (1958, 1968). The WHO raised the Alert level to 6 (a confirmed Pandemic) on June 11 and the rate of spread has been going up since then.

DISCUSSION

HRM will be taking advantage of a proposal to trade in its current nine (9) model # 8020 Portacount Plus respirator fit testers for the purchase of the upgrade Model 8038 Portacount Pro + respirator fit testers.

The sole source purchase of the Portacount Pro + manufactured by TSI Incorporated is the only portable quantitative fit testing instrument that can conduct fit tests on SCBA, half mask, and full facepieces as well as disposable N95 filtering facepiece respirators. TSI is the sole source of the referenced products and has agreements with independent representatives throughout the United States and Canada to provide local sales, service, and training support to end users. Levitt-Safety LTD is the only distributor authorized to sell the following TSI products and their accessories in Canada at this time.

The trade in of 9 each Model # 8020 Portacounts towards the Purchase of 12 each of the Model # 8038 Portacount is summarized as follows.

Purchase of 12 each of the Model 8038 Portacounts with the trade in of 9 each of Model 8020.			
# of Units	Model 8038	Unit Price w/net HST (net of trade in value)	Extended cost w/net HST
5	Units	\$14,193.77	\$70,968.84
2	Units	\$15,228.06	\$30,456.12
2	Units	\$15,997.00	\$31,994.00
3	*Units*	\$15,997.00	\$47,991.00
		Sub Total	\$181,409.97
		Purchase of three, CAO Award Less	\$47,991.00
		Proposed purchase of nine units:	\$133,418.96

The following are the trade in values (without net hst) for the existing model # 8020 Portacounts :

Trade in Values for existing Portaco units		
Model #	Date purchase	Trade in Value
8020		
#16675	1994	\$1,000
#43490	2002	\$1,000
#45264	2004	\$2,000
#46630	2004	\$2,000
#46671	2006	\$3,000
#49089	2007	\$3,000
#49103	2007	\$3,000
#49124	2007	\$3,000
#49221	2007	\$3,000
Total trade in value no Tax		\$21,000

BUDGET IMPLICATIONS

Based on the quoted sole source price, of \$133,418.96 (net of the trade in for the 9 units)including net HST, funding is available in the EMO Cost Recovery Reserve - Q314. The budget availability has been confirmed by Financial Services.

Budget Summary:	<u>EMO Cost Recovery Reserve - Q314</u>	
	Cumulative Unspent Budget	\$448,087
	Less: Reserve Withdrawals	<u>\$133,419</u>
	Projected Balance March 31, 2010	\$314,668

Budget Summary:	<u>Capital Account No. CEJ01265-Respirator Mask*</u>	
	Opening Balance	\$ 0
	Add: Budget Increase through Reserve	
	Withdrawals, Q314	\$133,419
	Less: Sole Source Purchases	<u>\$133,419</u>
	Balance	\$ 0

* This project was not estimated in the Approved 2009/10 Capital Budget.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality’s Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. If approved, this report will increase reserve withdrawals and the Capital Budget in 2009/10.

ALTERNATIVES

N/A

ATTACHMENTS

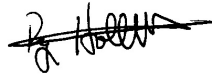
Attachment "A" Sole Source Policy, Administrative Order 35, Section 7(8)

Attachment "B" Sole Source letter from TSI

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Barry Manuel, EMO Coordinator, Fire & Emergency, 490-5617

Report Approved by:



Roy Hollett, Deputy Chief Director, Fire & Emergency, 490-7407

Report Approved by:



Bill Mosher, Chief Director, Fire & Emergency, 490-4239

Financial Approval by:

For - Anne Feist, Operations Manager, Procurement at 490-4200

Report Approved by:



For - Cathie O'Toole, Director of Finance, 490-6308

Attachment A

Administrative Order 35 Procurement Policy Section 7 (8)

8) **Sole Source Purchases:** This occurs when there is only one available supplier of a required product or service that meets the needs of the Municipality. Negotiation is the method of purchase used to complete the terms and conditions for this purchase. A single source purchase occurs:

- (a) Where the compatibility of a purchase with existing equipment, facilities or service is a paramount consideration and the purchase must be made from a single source;
- (b) Where an item is purchased for testing or trial use;
- (c) Where the Municipality purchases supplies for resale;
- (d) Where the Municipality has a rental contract with a purchase option and such purchase option could be beneficial to the Municipality;
- (e) Notwithstanding anything in this policy, where a purchase is determined by Council to be fair and reasonable and is made from a nonprofit corporation supported by the Municipality may make such a purchase as a single source purchase;
- (f) Where items are offered for sale by tender, auction or negotiation such purchase will be deemed to be a single source purchase and the C.A.O. may authorize the submission of a bid or the conduct of negotiations where the C.A.O. determines the purchase to be clearly in the best interest of Halifax Regional Municipality;
- (g) For matters involving security, police matters, or confidential issues, a purchase may be made in a manner that protects the confidentiality of the contractor or the Municipality. Such purchases may be made as a single source purchase. Purchases of this nature must be approved by the C.A.O. Contracts over the value of \$50,000 must be reported to Council (in camera) when appropriate.



TRUST. SCIENCE. INNOVATION.

TSI Incorporated

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July 10, 2009

David A. Smith
Divisional Chief
Logistics
Halifax Regional Fire & Emergency
Tel 902-490-4247
Cel 902-430-6203

Dear David,

This letter is to confirm that Levitt-Safety LTD is the only distributor authorized to sell the following TSI products and their accessories in Canada at this time:

PORTACOUNT PRO +
PORTACOUNT
N95-COMPANION
Q-TRAK
DUSTTRAK
P-TRAK
AEROTRAK 9000
AM-510

TSI is the sole source of the referenced products and has agreements with independent representatives throughout the United States and Canada to provide local sales, service, and training support to end users.

The Portacount Pro + is the only portable quantitative fit testing instrument that can conduct fit tests on SCBA, half mask, and full facepieces as well as disposable N95 filtering facepiece respirators.

Thank you for your interest in TSI products.

Best regards,

A handwritten signature in black ink, appearing to read 'Patrick M. Allen'. The signature is written in a cursive, flowing style.

Patrick M. Allen
Regional Sales Manager
Test and Measurement
TSI INCORPORATED