



To: Community Safety Committee

Date: September 23, 2011

From: Tim Wilkinson  
Deputy Chief - Operations

File:

Re: Lafarge Canada Inc. - Confined Space Rescue, Fee-for-Service Agreement

**Staff Recommendation**

That the Chief Administrative Officer and General Manager of Law and Community Safety be authorized to negotiate and execute on behalf of the City, a fee-for-service agreement for the provision of confined space rescue services by the City's Fire Rescue Division to Lafarge Canada Inc.'s operations at 7611 No.9 Road on the terms and conditions outlined in the staff report titled "Lafarge Canada Inc. - Confined Space Rescue, Fee-for-Service Agreement" and dated September 23, 2011.

Tim Wilkinson  
Deputy Chief - Operations

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ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Law		Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>		
Budgets & Accounting		Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>		
Business & Licences		Y <input checked="" type="checkbox"/>	N <input type="checkbox"/>		
REVIEWED BY TAG		YES	NO	REVIEWED BY CAO	
		<input checked="" type="checkbox"/>	<input type="checkbox"/>		
				YES	NO
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## Staff Report

### Origin

This report supports Council's Term Goal:

*"To ensure the City has the capacity to meet the financial challenges of today and in the future, while maintaining appropriate levels of service through:*

#### *2.6 Establishment of new sources of revenue"*

In January of 2011 Richmond Fire-Rescue (RFR) was contacted by representatives of Lafarge Canada Inc ("Lafarge") in Richmond to explore the opportunity of entering into a fee-for-service agreement that would see RFR supporting the Lafarge confined space rescue team with backup support services during emergency events on an as needed basis,

### Analysis

Lafarge has approximately 200 confined spaces at its Richmond cement plant at 7611 No. 9 Road. Although some of these spaces may be considered "low risk", Lafarge has categorized them all as "moderate risk" due to the potential of always having cement dust in them. Lafarge does employ an emergency response team that has the capacity to provide confined space rescue. The team is comprised of plant workers who have been trained to provide this service. Richmond Fire Rescue would be needed to respond to augment this team as back up. Routine maintenance is conducted in their confined spaces, generally during the week, between the hours of 07:00 and 17:00. This amounts to 2-5 entries per week. At times unforeseen and unpredictable, breakdowns occur. These can happen at any time of the day or night, which may result in the need for a confined space entry. On average this happens less than once a week.

Lafarge occasionally has short term shut downs, that are known as PNR (Production Not Required) shut downs, that last approximately 1-2 weeks in length. The shut downs are market dependant, planned, and occur 1-5 times a year. During these PNR shut downs up to 5 confined space entries may be underway, but normally these are done during daytime weekday hours.

Generally Lafarge does a major shut down that can last 3-5 weeks once a year (dependant on market conditions). During this period, work may be conducted around the clock and there may be multiple confined space entries occurring simultaneously. Work activity may be for either inspection and/or maintenance purposes.

There have been no confined space rescues required at Lafarge in the last 10 years.



## **Requirement for Confined Space Rescue**

WorkSafe BC Occupational Health and Safety Regulation Confined Spaces Part 9 states:

### ***“Rescue***

#### ***9.37 Provision of rescue services***

*(1) The employer must provide for the services of rescue persons when a worker enters a confined space.*

*(2) If the rescue persons are employees of another firm, or an agency such as a fire department, there must be a written agreement detailing the services that are to be provided.”*

#### ***9.38 Equipment and training***

*(1) Every person assigned rescue duties must be properly equipped and adequately trained to carry out such duties.*

*(2) A practice drill must be conducted at least annually.*

*(3) Records of training and practice drills must be maintained by the employer of the rescue persons.*

Lafarge has trained a number of their workers in the provision of confined space rescue as required by WorkSafe BC. However, Lafarge is seeking the fee-for-service agreement with RFR for the following reason:

1. Lafarge believes the fee-for-service agreement is a more cost effective approach for their company.

## **Fee-For-Service Agreements and Benefits**

RFR does not currently operate any fee-for-service agreements. RFR does however operate within the provisions of the 1995 Metro Vancouver Fire Department Mutual Aid Agreement with adjacent municipalities.

The number of confined space rescue calls performed by RFR annually is small, and the opportunity to more regularly practice this technical rescue skill is beneficial to RFR emergency responders. RFR is in the position to add this agreement into the service provision responsibilities without hindering response to the City of Richmond. In addition, the City would benefit from this new revenue source.



The basic terms of the fee-for –service agreement would be:

1. **Basic Services:** supporting the Lafarge confined space rescue team with backup support services during emergency events on an as needed basis, plus 12 on-site familiarization visits per year relating to confined spaces, at Lafarge’s operation at 7611 No.9 Road
2. **Additional Services:** dedicated on-site confined spaces Emergency Response Team, on request by Lafarge.
3. **Term:** one year with automatic annual renewals subject to termination with 6 months notice.
4. **Fee for Basic Services:** \$14,300 for the first year plus 12 site visits/year @ \$250 per visit (the annual fee to be reviewed prior to each renewal). This fee is based on a full cost recovery basis.
5. **Fee for Additional Services:** cost recovery based on the hourly rate plus benefits and equipment of the RFR emergency response team and back fill of RFR staff.
6. **Indemnity:** Lafarge Canada Inc. shall hold harmless and indemnify the City of Richmond against any and all claims and actions arising out of the participation in the performance of confined space rescue activities.
7. **Equipment:** Lafarge will provide the equipment necessary for the confined space rescues.

The terms of the agreement would ensure that the delivery of fire and rescue emergency services to the City are not negatively impacted by the delivery of this service to Lafarge. Lafarge understands that there are times when RFR may have resources committed to other emergency responses within the City of Richmond, thereby resulting in a diminished confined space rescue capacity. Since August of 2006, RFR statistics have shown that there were 41 such instances where RFR’s capacity has been reduced for a period exceeding one hour.

When RFR is deployed in a significant incident of duration, Lafarge would receive an email and phone call from RFR notifying Lafarge to suspend confined space activities. Once RFR is again available, another email and phone call would be sent to inform Lafarge that confined space activities can resume.

During times of major shut downs or other critical work activity at Lafarge’s plant, Lafarge will staff an on-site Confined Space Emergency Response Team in order to maintain operational continuity. These decisions and costs will be at the sole discretion and responsibility of Lafarge. However, RFR will offer a dedicated on-site Confined Space Emergency Response Team as an additional service on a full cost recovery basis.

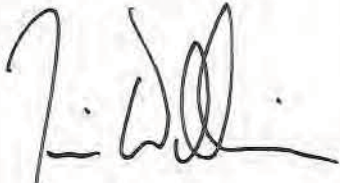
### **Financial Impact**

For the first year of the agreement, the City would receive new revenue of approximately \$14,300 annually plus 12 site visits/year @ \$250 per visit. The fee would be re-negotiated annually.

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### **Conclusion**

The fee-for-service agreement provides mutual benefits to both parties including the creation a strong working relationship with a long-standing Richmond business that has been operating since 1958.

A handwritten signature in black ink, appearing to read 'Tim Wilkinson', with a stylized flourish at the end.

Tim Wilkinson  
Deputy Chief - Operations  
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