

Clause No. 15 in Report No. 9 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on April 17, 2014.

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CONTRACT FOR BULK CABLE TV SERVICES
IN LONG-TERM CARE

Committee of the Whole recommends adoption of the following recommendations contained in the report dated April 16, 2014 from the Commissioner of Community and Health Services:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize an agreement between the Region and Rogers Communication Inc. for bulk cable TV services for the Newmarket Health Centre and Maple Health Centre for a period of five years, commencing June 1, 2014 and expiring May 31, 2019.
2. The Commissioner of Community and Health Services be authorized to execute any necessary contracts in relation to bulk cable TV services.

2. PURPOSE

This report seeks authorization to enter into a contract to obtain bulk cable TV services at Newmarket Health Centre and Maple Health Centre.

Council approval is required as the contract is direct purchased and the value of the contract is \$ 228,615 over five years.

The purchasing bylaw requirements for direct purchases (clause 9.1) states that deliveries may be procured without issuing a call for bids where (a) the compatibility of a purchase within existing equipment, facilities or service is the paramount consideration; and (clause 9.2) the Commissioner may award any contract under Section 9.1 of this bylaw provided that the award of any contract under Section 9.1 having a total cost exceeding one hundred thousand dollars (\$100,000) shall be subject to Council approval.

3. BACKGROUND

Rogers Communications Inc. (Rogers) has been providing bulk cable TV services in the long-term care homes for the last 15 years

The Region currently has an agreement with Rogers for cable services at both Maple Health Centre and Newmarket Health Centre. Installation of cabling was undertaken by Rogers when the facilities were built or renovated, and all resident rooms, lounges and activity spaces have cable TV outlets.

Currently, there are 160 outlets in Newmarket Health Centre and 114 outlets in Maple Health Centre. Rogers currently bills York Region for the bulk services, and, in turn, the costs are charged to the residents using the service.

Long-term care homes ensure their residents have access to cable TV

Maple Health Centre has a total of 100 beds, consisting of 82 long stay beds, 3 short stay respite beds and 15 convalescent care beds.

Newmarket Health Centre has a total of 132 beds, consisting of 110 long stay beds, 3 short stay respite beds and 19 convalescent care beds.

The residents requesting cable TV services are provided connection to their TV in their respective room, and they pay a fixed monthly charge billed to their trust account.

4. ANALYSIS AND OPTIONS

Rogers have changed their bulk billing model

Rogers is proposing a new five-year contract based on charging for all outlets in each Home irrespective of whether the outlets are being used or not. Previously they only charged the residents / outlets that were being used. Significant reductions to the bulk rates were negotiated by Regional staff resulting in the price decreasing from \$25.80 to \$13.10 per outlet per month on a gross basis. Long-Term Care currently charges a monthly fee of \$25.80 for long stay residents. Only residents who use the service are charged a monthly fee. On an overall basis the cable TV program is self-funding

Current hardware and cabling was set up and installed by Rogers

As the entire two facilities have current hardware and cabling set up and provided by Rogers, they have the technology to continue the services without changes to the current distribution system and no need to change any cable boxes.

The current cabling infrastructure and set-up allows our maintenance staff to connect individual rooms / resident cable TV box based on the residents' request for cable TV, and charge for the service. Any other system will cause loss of control and inability to limit access to only the residents who pay for cable TV and make it more complicated for residents to operate their TV memorizing new channels and using two or three remotes.

There are limited competitors in the market for bulk cable TV

The only two viable competitors on the market for bulk cable TV are Rogers and Bell Canada. Other cable providers either do not operate in the York Region area, operate with new technologies and / or do not support cable with distribution boxes that can be controlled and managed within each facility.

A change to Bell Canada to provide bulk cable services to the Homes would require an upgrade of the system at York Region's expense resulting in costs in excess of \$100,000. It is standard practice in commercial/multi-residential settings for the owner to be responsible for the costs of upgrading or installing new cabling systems. Staying with Rogers avoids these costs as the current infrastructure will support their delivery system.

Satellite services have been investigated and are not financially viable as extensive upgrades would be needed resulting in disruption in services during implementation. In addition, satellite frequencies can be interrupted during inclement weather, such as heavy rainfall or snowfall. Cable support is run underground and has minimal interruption to service.

Using the current cable TV provider will ensure that residents will be able to enjoy uninterrupted and consistent services at their current charges

Link to key Council-approved plans

This report pertains to the operational requirements of the Region's long-term care homes and as such does not relate directly to initiatives described in key Council-approved plans.

5. FINANCIAL IMPLICATIONS

Rogers has provided a bulk contract quotation for supply of cable TV services

The quotation from Rogers is for the "Combo" package for a term of five years. The new rates are outlined in Table 1. The total cost for the five-year contract will be \$228,615. Costs for providing these services are paid by the Region, with a 100% cost recovery from residents.

The approved 2014 operating budget includes these costs.

Table 1
Cost of Bulk Cable TV Services

Term	Rate per outlet	Total cost per month \$	Total cost per year \$
Year 1	\$13.10	3,589	43,073
Year 2	\$13.49	3,696	44,355
Year 3	\$13.89	3,806	45,671
Year 4	\$14.31	3,921	47,051
Year 5	\$14.74	4,039	48,465
TOTAL			228,615

Under the old service rate system, the contract costs were approximately \$47,400 that were charged to the residents. There will be no increased costs to the residents.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report.

7. CONCLUSION

York Region Long-Term Care will continue providing cable TV services to the residents residing in the long-term care homes. The proposed contract with Rogers will provide bulk cable TV services for both homes for the next five years.

For more information on this report, please contact Sylvia Patterson, General Manager of Housing and Long-Term Care at Ext. 72091.

The Senior Management Group has reviewed this report.