

Clause 11 in Report No. 17 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on November 17, 2016.

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## Cellular Communication Devices and Services Contracts

Committee of the Whole recommends adoption of the following recommendation contained in the report dated October 26, 2016 from the Commissioner of Finance:

1. Council approve the award of the contract for cellular communication devices and services to Rogers Communications Partnership, pursuant to the Provincial Vendor of Record agreement, expiring on December 31, 2019, at a total cost of \$11,905,811, excluding applicable taxes.
2. Council approve the award of the contract for cellular communication devices and services to Bell Mobility, pursuant to the Provincial Vendor of Record agreement, expiring on December 31, 2019, at a total cost of \$2,877,534, excluding applicable taxes.
3. The Commissioner of Finance be authorized to execute the agreements on behalf of the Region.

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Report dated October 26, 2016 from the Commissioner of Finance now follows:

### 1. Recommendations

It is recommended that:

1. Council approve the award of the contract for cellular communication devices and services to Rogers Communications Partnership, pursuant to the Provincial Vendor of Record agreement, expiring on December 31, 2019, at a total cost of \$11,905,811, excluding applicable taxes.
2. Council approve the award of the contract for cellular communication devices and services to Bell Mobility, pursuant to the Provincial Vendor of Record agreement, expiring on December 31, 2019, at a total cost of \$2,877,534, excluding applicable taxes.

3. The Commissioner of Finance be authorized to execute the agreements on behalf of the Region.

## 2. Purpose

This report seeks authority to enter into agreements with Rogers Communications Partnership (Rogers) and Bell Mobility (Bell) for cellular communications devices and services under the co-operative purchasing provisions of the Purchasing Bylaw. Council approval is required because the contract pricing for each agreement exceeds \$2,000,000.

## 3. Background

Cellular communication is used to support service delivery and strengthen organizational capacity

Pagers, cellphones, smartphones, and laptop and tablet cellular modems are used to provide staff with connectivity and access to resources while working off-site and in the field.

Machine-to-machine cellular modems are used to support data transfers related to the monitoring, tracking and updating of operational systems, including:

- Transit operations (e.g., variable message signs)
- Traffic operations (e.g., traffic signal lights)
- Wastewater operations (e.g., wastewater flow meters)
- Emergency Medical Services vehicles
- Building security (e.g., security card access)
- Automatic Vehicle Location system.

By the end of 2016, it is estimated that approximately 6,000 cellular communication devices will be in use. Table 1 provides a breakdown of these devices.

**Table 1**  
**Regional Cellular Communication Devices by Type**

Device	Amount <sup>1</sup>
Pagers, cellphones and smartphones	2,300
Laptop and tablet cellular modems	834
Machine-to-machine cellular modems	2,894
<b>Total</b>	<b>6,028</b>

<sup>1</sup>Represents forecast number of devices in use by end of 2016

Machine-to-machine cellular modem networks require carrier-specific devices and services to support functionality

The same type of machine-to-machine cellular modem is used consistently throughout a network to support that network's protocol (language). The majority of machine-to-machine cellular modems are carrier-specific, meaning they use specific cellular technology provided and supported by a particular carrier. Table 2 provides a breakdown of machine-to-machine modem networks in use at the Region along with their carrier.

**Table 2**  
**Regional Machine-to-Machine Cellular Modem Networks by Carrier**

Network	Carrier
Transit operations	Rogers
Traffic operations	Bell
Wastewater operations	Bell
Emergency Medical Services vehicles	Bell
Building security	Bell
Automated Vehicle Location system	Telus

Device and service contracts are required to provide cellular communications and support business continuity

Devices and associated services, such as data plans, are provided through carriers (i.e., Bell, Rogers and Telus). A Provincial Vendor of Record (VOR) arrangement, established through a Provincial Request for Proposal, is available to the Region for these devices and services.

A VOR arrangement is a procurement arrangement, typically established through a competitive bid process, that permits one or more vendors to provide goods and services to specified agencies using the terms and conditions, including pricing, set out in the arrangement. A Provincial VOR offers value to the Region because the Province receives a greater volume discount than is available to the Region due to the larger size of their procurements.

#### 4. Analysis and Implications

Two cellular communication devices and services contracts meet authorization thresholds requiring Council approval

The Region’s Purchasing Bylaw permits participation in co-operative purchasing with other government agencies or public authorities.

Section 12.2 requires that the Region adhere to the policies of the agency calling the co-operative bid. The Province requires that agencies using the VOR arrangement apply vendor rankings (i.e., primary, secondary and tertiary) to their contracts. The primary vendor is assigned to the proponent who offered the lowest monthly service cost. In cases where the primary vendor is unable to meet service or coverage requirements, the request is sent to the secondary vendor and subsequently the tertiary vendor until the requirements can be met. The vendor ranking is as follows:

- Primary vendor: Rogers
- Secondary vendor: Telus
- Tertiary vendor: Bell

Under the VOR, contracts for Regional devices and services would be awarded according to the VOR’s primary, secondary and tertiary rankings. Table 3 provides a breakdown of the devices and services that would be provided under each contract.

**Table 3**  
**Regional Device and Service Carriers under the VOR**

Carrier	Devices
Rogers	Pagers, cellphones and smartphones Laptop and tablet cellular modems Machine-to-machine cellular modems for transit operations
Bell	Machine-to-machine cellular modems for:

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Carrier	Devices
	<ul style="list-style-type: none"><li>• Traffic operations</li><li>• Wastewater operations</li><li>• Emergency Medical Services vehicles</li><li>• Building security</li></ul>
Telus	Machine-to-machine cellular modems for the Automated Vehicle Location system

Section 12.3 requires that any proposed contract resulting from co-operative purchasing must be authorized according to the appropriate authority thresholds set out in Section 6. Since the VOR was established through a Request for Proposal, the thresholds for Requests for Proposals apply to the award of contracts made using the VOR arrangement.

Section 6.15 requires Council approval for Requests for Proposals where the total cost of the contract exceeds \$2,000,000. The award of contracts to Rogers and Bell for cellular communications devices and services would each have a total value over \$2,000,000.

### 5. Financial Implications

The cost for the Rogers and Bell cellular communications devices and services contracts over the next three years is as follows:

- Rogers, \$11,905,811 excluding taxes, and
- Bell, \$2,877,534 excluding taxes.

The end date for both contracts is December 31, 2019. This date coincides with the expiry of the Provincial VOR arrangement.

The required funding is included in the annual Information Technology Services operating budget.

### 6. Local Municipal Impact

There are no direct local municipal impacts as a result of this report.

## 7. Conclusion

Staff are seeking Council authorization for the award of cellular communication devices and services contracts to Rogers and Bell. Cellular communications support the Region's connectivity requirements and their use is expected to continue into the foreseeable future

For more information on this report, please contact John Swan, Director, Information Technology Services, at 1-877-464-9675 ext. 71756.

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Accessible formats or communication supports are available upon request