

Section II – Items for Executive Action

TO: Chair and Members of the Executive Committee
Meeting #5/20, Friday, September 11, 2020

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **EXTENSION OF CITY OF TORONTO INTEGRATED TELECOMMUNICATIONS INFRASTRUCTURE MASTER AGREEMENT**
City of Toronto RFP No. 2104-09-3006

KEY ISSUE

Adoption of City of Toronto Amending Agreement No. 11 for Request for Proposal (RFP) No. 2104-09-3006 for Bell Canada Integrated Telecommunications Infrastructure, including telephony and connectivity services.

RECOMMENDATION

WHEREAS Toronto and Region Conservation Authority (TRCA) is engaged in ongoing business operations that require Integrated Telecommunications Infrastructure;

AND WHEREAS the City of Toronto solicited and evaluated proposals through a publicly advertised process for Integrated Telecommunications Infrastructure and entered into a Master Agreement with Bell Canada on October 1, 2010

AND WHEREAS Bell Canada agreed to make the services available to City of Toronto partner agencies pursuant to the terms of the Master Agreement;

AND WHEREAS TRCA has been receiving the services under the terms of the City of Toronto and Bell Canada Master Agreement since February 3, 2012 and staff are satisfied with the services provided to date;

THEREFORE LET IT BE RESOLVED THAT TRCA staff be directed to execute the City of Toronto and Bell Canada Amending Agreement No. 11 to extend the contract term until 2025 with an option for five (5) one-year term extensions as and when approved by the City of Toronto;

AND FURTHER THAT authorized TRCA officials be directed to take whatever action may be required to implement the contract, including the obtaining of necessary approvals and the signing and execution of any documents.

BACKGROUND

TRCA operates twenty-five (25) locations with requirements for telephony and connectivity services to conduct business operations. The services to support ongoing business operations include telephone systems, private networks and internet connectivity.

In 2009, the City of Toronto undertook a competitive procurement process to support the needs of Toronto's technology infrastructure. The scope of work included a series of categories in which two are most applicable to TRCA:

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Carrier Services

- CS - Carrier Service General
- CS-1 - Centrex Service
- CS-2 - Megalink Service
- CS-3 - Bell Long Distance and Toll Free Service
- CS-4 - Bell Individual Business Line Service

WAN Schedules

- WS - WAN Services – General
- WS-1 - Internet Protocol Virtual Private Network (IP VPN) Service
- WS-1B - SIP Trunking
- WS-2 - Ethernet Internetworking
- WS-3 - Business Internet Service (BIS)
- WS-4 - Business Internet Dedicated (BID)
- WS-8 – NDDoS

RFP documentation was posted on the public website of the City of Toronto on January 28, 2009 and closed on April 22, 2009. Ten (10) addendums were issued to respond to questions received. A total of twenty-nine (29) firms downloaded the documents and eight (8) proposals were received from the following Proponent(s):

- Aastra Telecom Inc
- Alcatel-Lucent Canada Inc
- Bell Canada
- Cogeco
- FlexITy Solutions Inc
- MTS Allstream Inc
- Quartet Services Inc
- Rogers Communications Inc

One Proponent submitted a Proposal for the WAN bundle only. This Proposal failed during the Stage 1 Evaluation of Mandatory Requirements, reducing the number of Proponents to seven (7).

Oversight of the entire procurement process was provided by PPI Consulting and key staff for City of Toronto's Purchasing and Material Management Division. On completion of the evaluation process, the proposal submitted by Bell Canada was ranked the highest.

RATIONALE

This procurement process (RFP# 2104-09-3006 for Integrated Telecommunications Infrastructure) is open to City of Toronto's Agencies, Boards and Commissions through adoption of the Master Agreement. TRCA is deemed to be a partner agency by the City, and therefore TRCA has been receiving the services under the Bell Canada Master Agreement since 2012. The Master Agreement is set to expire in 2020. The City of Toronto Amending Agreement No. 11 has extended the Master Agreement for an additional 5 year term (ending in 2025) with an option for five (5) one-year term extensions and includes renegotiated service rates.

Through an analysis performed by TRCA staff, adopting the amended agreement provides significant service cost savings as well as administrative efficiencies for TRCA. Service pricing is outlined in the form of a rate card, and as such, TRCA can achieve cost transparency and consistency over the term of the agreement.

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Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategic priority set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 7 – Build partnerships and new business models

Strategy 10 – Accelerate innovation

FINANCIAL DETAILS

Based upon review of TRCA 2019 spending with Bell Canada for services within the scope of the Master Agreement, anticipated annual costs for ongoing services are \$235,000 excluding HST. It is anticipated that adoption of the amended agreement will have cost savings of \$105,000 over the balance of the contract term.

Funds for the contract are identified in IT Infrastructure and various Business Unit Operating accounts for the respective budget years

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