

NO: R065

COUNCIL DATE: April 21, 2021

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## REGULAR COUNCIL

TO: **Mayor and Council**

DATE: **April 6, 2021**

FROM: **General Manager, Corporate Services**

FILE: **1355-100**

SUBJECT: **Award of Contract No. 1220-040-2019-038 for Wireless Services and Devices**

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## RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Award Contract No. 1220-040-2019-038 to Rogers Communications Canada Inc. for a two-year term in the total estimated two-year amount of \$1,261,920.00, including GST & PST, for the supply of cellular wireless service plans and devices;
2. Set the expenditure authorization limit for Contract No. 1220-040-2019-038 at \$1,388,122.00 (including GST & PST and contingency);
3. Approve the option to extend Contract No. 1220-040-2019-038 for up to three additional two-year terms at the City's discretion; and
4. Authorize the General Manager, Corporate Services to execute and approve all optional extensions related to Contract No. 1220-040-2019-038 within the approved expenditure authorization limit of \$1,388,122.00.

## INTENT

The purpose of this report is to obtain Council's approval to award Contract No. 1220-040-2019-038 (the "Contract") to Rogers Communications Canada Inc. ("Rogers") for the non-exclusive supply of cellular wireless service plans and devices for a two-year term with the option to extend for up to three additional two-year terms.

## BACKGROUND

Cellular wireless services for the City are currently provided by Bell Mobility Inc. The contract with Bell Mobility Inc. commenced in January 2016 and the initial two-year contract was extended for a further two years and expired on April 17, 2020. In May 2020, Council approved Corporate Report No. R081; 2020, attached as Appendix "1", resulting in an extension of the Bell contract for up to one year and expiring April 17, 2021.

The types of products and services related to cellular wireless services and devices include:

- Regular and ruggedize cellphones, and smartphones;
- Mobile data services for field laptops, tablets, automatic vehicle location, security and other diagnostic or computing appliances;
- Local, Canada-wide, USA, and International voice, text, and data services, as well as travel bundles;
- Wi-Fi calling; and
- Pooling (sharing) of voice, data, and other services.

In the 24 months leading up to COVID-19, the quantity of mobile service plans increased by 18% and the amount of cellular-data consumed increased by 253%. These increases can be attributed to several innovations, including:

- Continuous increase in field staff being equipped to connect with their line of business applications;
- Continuous increase in ‘data’ consumed by mobile applications; and
- City infrastructure upgraded with wireless sensors and appliances (e.g. roadsides sensors used for transportation purposes) that provide continuous data to the City.

Growth in device and data consumption has remained level since the pandemic was declared in March 2020.

## DISCUSSION

### RFP Results

In August 2019, Request for Quotations 1220-040-2019-038 (the “RFQ”) was issued for the supply and implementation of cellular wireless service plans and devices. The responses to the RFQ were received by October 30, 2019. All three proponents proceeded to the evaluation process as having met the requirements of the RFQ.

A financial estimate of the three responses received is as follows:

<b>Proponent</b>	<b>Proposed Amount (Two-Year Cost), including GST &amp; PST</b>	<b>Estimated Transition Costs</b>	<b>Total Estimated Amount</b>
Rogers Communications Canada Inc.	\$1,228,249	\$34,000	\$1,261,920
Bell Mobility Inc.	\$1,390,970	n/a	\$1,390,974
Telus Communications Inc.	\$1,619,630	\$34,000	\$1,718,770

The noted estimated transition costs of \$34,000 (moving from one service provider to another) pertains to internal labour costs. This cost would apply to apply to Rogers Communications Canada Inc. and Telus Communications Inc.

### Evaluation

Each vendor provided varying cellular plans, device options, and credits for smartphone replacements. Each vendor's existing cellular coverage is experienced differently inside City facilities and throughout the city. Given the complexity of the different proposals, and the need to evaluate cellular coverage inside City facilities, the evaluation process was lengthy.

Rogers is the lowest bidder. While the budget for cellular services and devices has increased due to mobile device growth, a contract with Rogers will result in a projected 37% decrease in the average cost per device per month for cellular wireless service as compared to current contract rates.. On this basis, staff are proposing that the City enter a contract with Rogers for an initial term of two years, with an option in favour of the City to renew the contract for three further two-year terms.

### **Legal Services Review**

The Legal Services Division has reviewed this report and have no concerns.

### **FUNDING**

Funding for this Contract is available in the annual IT Operating Budget in each of the applicable years.

### **SUSTAINABILITY CONSIDERATIONS**

The award of contract for the non-exclusive supply of cellular wireless service plans supports the objectives of the City's Sustainability Charter 2.0. In particular, the Contract relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, the cellular wireless service plans support the following Desired Outcome ("DO"):

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems.

### **CONCLUSION**

It is recommended that Council award Contract No. 1220-040-2019-038 to Rogers Communications Canada Inc. for the non-exclusive supply of cellular wireless service plans and devices for a two-year term in the total estimated two-year amount of \$1,388,122.00 (including applicable taxes and contingency) and authorize the General Manager, Corporate Services to execute the two-year contract with Rogers Communications Canada Inc. and up to three additional two-year extensions in favor of the City.

Rob Costanzo  
General Manager, Corporate Services

Appendix "I": Corporate Report No. Ro81; 2020



## CORPORATE REPORT

NO: R081

COUNCIL DATE: May 25, 2020

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### REGULAR COUNCIL

TO: Mayor & Council

DATE: May 21, 2020

FROM: General Manager, Corporate Services

FILE: 1355-100

SUBJECT: Extension of Contract No. 1220-050-2015-009 Wireless Services

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### RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Extend Contract No. 1220-050-2015-009 with Bell Mobility Inc. on a month-to-month basis for up to one-year (until April 17, 2021) in the total estimated one-year amount of \$672,000.00 (including GST & PST) for the non-exclusive supply of cellular wireless service plans;
2. Set the expenditure authorization limit for Contract No. 1220-050-2015-009 at \$772,800.00 (including GST & PST and contingency); and
3. Authorize the General Manager, Corporate Services to execute an extension to Contract No. 1220-050-2015-009 within the approved expenditure authorization limit.

### INTENT

The purpose of this report is to obtain Council's approval to extend Contract No. 1220-050-2015-009 (the "Contract") for the non-exclusive supply of cellular wireless service plans on a month-to-month basis for up to one year, allowing staff time to complete the evaluation of Request for Quotations 1220-040-2019-038 (the "RFQ").

### BACKGROUND

Cellular wireless services for the City are currently provided by Bell Mobility Inc. The contract with Bell Mobility Inc. commenced in January 2016 and the initial two-year contract was extended for a further two years and expired on April 17, 2020.

The types of products and services related to cellular wireless services and devices include:

- Regular and ruggedize cellphones, and smartphones;
- Mobile data services for field laptops, tablets, automatic vehicle location, security and other diagnostic or computing appliances;

- Local, Canada-wide, USA, and International voice, text, and data services, as well as travel bundles;
- Wi-Fi calling; and
- Pooling (sharing) of voice, data, and other services.

Over the last 24 months, the number of mobile service plans required by the City increased by 18% and cellular-data consumption increased by 253%. These increases can be attributed to several innovations, including:

- Continuous increase in field staff being equipped to connect with their line of business applications;
- Continuous increase in 'data' consumed by mobile productivity applications;
- City infrastructure upgraded with wireless sensors and appliances (i.e. roadsides sensors used for transportation purposes) that provide continuous data to the City;; and
- The response to COVID-19 included equipping staff with mobile devices in order to access line of business, collaboration, and productivity tools needed to serve citizens and business.

### **Request for Quotation**

In August 2019, RFQ 1220-040-2019-038 was issued for the supply and implementation of cellular wireless service plans and devices. Three proponents submitted responses to the RFQ that were received by October 30, 2019.

### **DISCUSSION**

Each vendor provided varying cellular plans, roaming options, device options, and credits for smartphone replacements. Given the complexity of the different proposals the evaluation process has been lengthy as many financial, functional, and service factors require careful review.

The City's COVID-19 response has underscored the importance that cellular devices play in enabling staff to deliver services in new and remote ways, and stressed the need to evaluate the cellular coverage and related infrastructure each proponent has invested in or plans to invest in delivering throughout Surrey's challenging geography and in-building coverage.

Extending the existing contract with Bell Mobility Inc. on a month-to-month basis for a period of up to one year will enable staff to complete this evaluation. During the next 6 months, a review of each proponent's cellular infrastructure and investment plans will be completed to close out the evaluation process.

### **FUNDING**

Funding for this contract is available in the approved annual IT Operating Budget for the duration of the extension.

## LEGAL SERVICES AND FINANCE DEPARTMENT REVIEW

The City's Legal Services Division and Purchasing Section have reviewed this report and have no concerns.

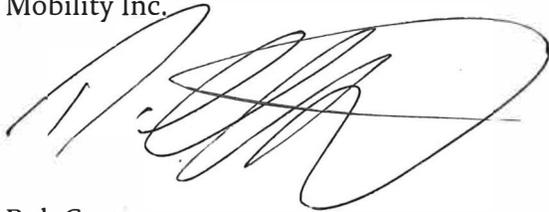
## SUSTAINABILITY CONSIDERATIONS

The extension of contract for the non-exclusive supply of cellular wireless service plans supports the objectives of the City's Sustainability Charter 2.0. In particular, the Contract relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, the cellular wireless service plans support the following Desired Outcome ("DO"):

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems.

## CONCLUSION

It is recommended that Council extend Contract No. 1220-050-2015-009 with Bell Mobility Inc. on a month-to-month basis for up to one year in the total estimated one-year amount of \$772,800.00 (including GST & PST and contingency) for the non-exclusive supply of cellular wireless service plans and authorize the General Manager, Corporate Services to execute the extension with Bell Mobility Inc.



Rob Costanzo  
General Manager, Corporate Services