

Clause 10 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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Wide Area Network Services Contract

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

1. The agreement between the Region and Rogers Business Solutions for wide area network services, expiring on May 14, 2019, be amended to increase the contract price from \$381,125.13 to \$1,042,188.00 as a result of the award of additional deliverables.
2. The Commissioner of Finance be authorized to execute the agreement on behalf of the Region.

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

1. Recommendations

It is recommended that:

1. The agreement between the Region and Rogers Business Solutions for wide area network services, expiring on May 14, 2019, be amended to increase the contract price from \$381,125.13 to \$1,042,188.00 as a result of the award of additional deliverables.
2. The Commissioner of Finance be authorized to execute the agreement on behalf of the Region.

2. Purpose

This report seeks authority for the Region to amend an agreement with Rogers Business Solutions (Rogers) for wide area network (WAN) services under the additional deliverables provisions of the Purchasing Bylaw 2014-53 as necessitated by a change in scope. Council approval is necessary because the

total cost of the additional deliverables exceeds twenty percent of the total cost of the contract.

3. Background

WAN circuits support telecommunications between Regional buildings and infrastructure

A WAN circuit is a telecommunications line, using either fibre, copper wire or coaxial cable, that provides a connection between different locations. The Region uses WAN circuits to support telecommunications between buildings and with infrastructure such as transit stations, traffic lights and water towers. New circuits are added as required to:

- Provide connectivity to new locations
- Upgrade existing locations with additional bandwidth
- Create redundancy at critical locations
- Separate existing networks to resolve connection conflicts.

WAN circuit services are awarded through standard procurement procedures

At Regional sites where the York Telecom Network is unavailable, WAN circuits are leased from telecommunications companies who have pre-installed infrastructure in the area. The Region pays monthly service fees for use of each circuit. The monthly fee is dependent on the circuit's size, type and location.

In March 2014, a Request for Tender was issued for the supply of WAN circuits for 90 Regional sites. The Request for Tender was sent to two vendors, Bell and Rogers, who had been pre-qualified through a Request for Pre-Qualification. Through the Request for Tender, Rogers submitted the lowest cost bid for 34 circuits and was awarded a contract with a total value of \$381,125.13, expiring in May 2019. The lowest cost bids for the remaining 56 circuits were submitted by and awarded to Bell.

Since the original award, an additional 21 WAN circuits were required to support several initiatives, including:

- Connectivity for new Regional buildings (e.g., 9060 Jane Street, 16389 Highway 48)
- Implementation of a new dedicated circuit to support the supervisory control and data acquisition (SCADA) system at multiple locations

- Addition of redundancy to support connections between the Regional Disaster Recovery site, the Administrative Centre and the South Services Centre.

Each time a new circuit was required, quotes were requested from the two prequalified vendors, Bell and Rogers. Where circuits were added to provide redundancy to an existing circuit, a quote was requested only from the pre-qualified vendor not currently providing the existing circuit. These quote requests resulted in the 21 additional circuits being awarded to Rogers.

Due to the size and type of circuit, the average monthly fee for the additional 21 circuits was significantly higher than for those awarded to Rogers through the Request for Tender. Attachment 1 provides a listing of these circuits and their values. The original contract award to Rogers of 34 circuits had an average monthly cost of \$269.50 per circuit, while the average monthly cost of the 21 additional circuits is \$1,274.98 per circuit. As a result, the monthly cost of Rogers WAN circuit services has increased from \$9,162.87 to \$33,126.75.

4. Analysis and Implications

Council approval of the amendment to the Rogers WAN services contract is needed to continue providing connectivity

An increase to the value of the Rogers contract is required to support WAN circuits over the remaining contract term.

The Region's Purchasing Bylaw specifies thresholds for the addition of funds that require Council approval. Section 11.2 requires Council approval for the purchase of additional deliverables where the total cost of the deliverables exceeds twenty percent of the total cost of the contract.

The addition of funds to the existing contract with Rogers for WAN services would have a value that exceeds twenty percent of the total cost of the contract.

5. Financial Implications

The cost of the WAN services contract with Rogers over the remaining three years of the contract is \$1,042,188.00, excluding taxes. The contract end date is May 14, 2019.

The required funding is included in the 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 addition of funds to the WAN services contract with Rogers. The addition of funds is required to support the changes in scope resulting from the award of additional deliverables. WAN circuits support the Region's telecommunications needs 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.

The Senior Management Group has reviewed this report. October 26, 2016

Attachment (1)

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Accessible formats or communication supports are available upon request

Attachment 1

Circuits Awarded to Rogers Under the 2014 Request for Tender

	Address	Bandwidth*	Price per Month (\$)
1	465 Davis Dr, Newmarket	100M	450.00
2	4261 Hwy 7, East, Markham	100M	450.00
3	3601 Hwy 7, East, Markham	1G	750.00
4	50 East Valhalla Dr, Markham	T1	80.00
5	8050 Woodbine Ave, Markham	T1 and DSL	450.00
6	2267 Hwy 7, Vaughan	DSL	266.25
7	7800 Jane St, Vaughan	DSL	266.25
8	1 Atkinson St, Richmond Hill	DSL	261.25
9	10424 Keele St, Maple	100M	450.00
10	13175 Yonge St, Oak Ridges	100M	450.00
11	3901 Hwy 7, Vaughan	100M	450.00
12	7033 Leslie St, Thornhill	10M	1,034.81
13	150 Ansley Grove, Vaughan	10M	450.00
14	4355 14th Ave, Markham	10M	450.00
15	25 Dillane Dr, King	T1	261.25
16	9200 Bathurst St, Vaughan	DSL	80.00
17	20 Pullman Rd, Scarborough	1G	750.00
18	1200 Elgin Mills Rd, Richmond Hill	10M	450.00
19	300 Rodick Rd, Markham	T1	261.25
20	8018 Yonge St, Vaughan	DSL	80.00
21	555 Miller Ave, City of Markham	10M	450.00
22	12825 Keele St, King City	DSL	47.29
23	16105 Yonge St, Aurora	DSL	41.47
24	171 Major Mackenzie Dr, Richmond Hill	DSL	41.47
25	20 Water St, Markham	DSL	41.47
26	21001 Dalton Rd, Sutton West	DSL	45.95
27	2185 Major Mackenzie Drive, Vaughan	DSL	41.47
28	316 Main St, Unionville	DSL	41.47
29	349 Crowder Blvd, Newmarket	DSL	45.95
30	37 North St, Sutton	DSL	45.95

	Address	Bandwidth*	Price per Month (\$)
31	468 Eagle St, Newmarket	DSL	45.95
32	540 Timothy St, Newmarket	DSL	45.95
33	615 Fernbank Rd , Newmarket	DSL	45.95
34	90 Dew St, King City	DSL	41.47
	Total		9,162.87

*Legend to abbreviations

DSL – Digital subscriber line

M – Megabit/ second

G – Gigabit/ second

T1 – 1.544 Megabit/ second

Additional Circuits Awarded to Rogers since 2014

	Address	Bandwidth*	Rogers Quote Price per Month (\$)	Reason Required
1	431 Alden Rd, Markham	10M	1,220.00	New site
2	242 St John Sdrd, Aurora	20M	668.93	New site
3	5866 Doane Rd, Mount Albert	100M	1,571.58	New site
4	17250 Yonge, Newmarket	1G	2,014.82	Redundant circuit
5	380 Bayview, Newmarket	100M	1,669.75	Redundant circuit
6	50 High Tech Blvd, Richmond Hill	1G	1,811.58	Redundant circuit
7	50 High Tech Blvd, Richmond Hill	1G	750.00	Redundant circuit
8	17250 Yonge St, Newmarket	1G	3,030.00	Redundant circuit
9	50 High Tech Blvd, Richmond Hill	1G	1,335.00	Redundant circuit
10	17250 Yonge, Newmarket	1G	1,810.70	Redundant circuit
11	550 Cochrane Dr, Markham	1G	2,300.00	Redundant circuit
12	145 Essex Ave, Richmond Hill	100M	1,009.30	New site
13	9275 Markham Rd, Markham	10M	1,019.00	New site
14	8050 Woodbine Ave, Markham	100M	845.00	Redundant circuit
15	1700 Major Mackenzie Dr, Richmond Hill	100M	860.00	New site
16	9060 Jane St, Vaughan	1G	1,975.00	Redundant circuit
17	16389 Hwy 48, Whitchurch-Stouffville	100M	845.00	New site
18	4355 14th Ave, Vaughan	10M	315.00	New site
19	1 Bass Pro Mills Dr, Vaughan	100M	385.00	New site
20	7033 Leslie St, Richmond Hill	10M	764.00	New site
21	7277 King Rd, King	100M	575.00	New site
	Total		26,774.66	

*Legend to abbreviations

DSL – Digital subscriber line

M – Megabit/ second

G – Gigabit/ second

T1 – 1.544 Megabit/ second