Minutes - Executive Policy Committee - March 19, 2009

Minute No. 197
Report - Standing Policy Committee on Protection and Community Services - March 9, 2009

Item No. 3 Provision of Free Public Wireless Service in the Winnipeg Public Libraries
eFile L-1

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Protection and Community Services and submits the following to Council:

1. That the City of Winnipeg issue a change of work order to the existing wireless Internet contractor, MTS Allstream Inc., to provide free public wireless Internet services in all City Public Libraries and the Pan Am pool, under the conditions agreed to with MTS Allstream Inc.

2. That during the term of the current contract which expires on April 30, 2012, this change be funded, to a maximum of $30,000.00 per year, by reducing the transfer to the Library Technology Reserve.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Steeves,

That the recommendation of the Standing Policy Committee on Protection and Community Services be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On March 9, 2009, the Standing Policy Committee on Protection and Community Services concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On January 28, 2009, Council concurred in the recommendation of the Standing Policy Committee on Protection and Community Services and adopted the following:

1. That an extension of time of 60 days be granted to enable the Winnipeg Public Service to report back as directed by the Standing Policy Committee on Protection and Community Services on December 1, 2008.

STANDING COMMITTEE RECOMMENDATION:

On December 1, 2008, the Standing Policy Committee on Protection and Community Services recommended that the Winnipeg Public Service report back within ninety (90) days on the concept of providing wireless internet services free of charge to patrons of the Winnipeg public libraries, including information on other Canadian jurisdictions.

Report - Standing Policy Committee on Protection and Community Services - March 9, 2009

DECISION MAKING HISTORY: (continued)

COUNCIL DECISION:

On November 19, 2008, Council ruled automatic referral of the following motion to the Standing Policy Committee on Protection and Community Services:

Moved by Councillor Vandal,
Seconded by Councillor Thomas,
WHEREAS free wireless internet services can contribute to the economic and educational vitality of a city as well as offer a competitive advantage for Winnipeg over other cities;

AND WHEREAS all citizen services offered at Winnipeg public libraries should be offered to Winnipeggers at no cost;

AND WHEREAS there is currently an hourly charge for wireless internet at all Winnipeg public libraries;

AND WHEREAS the current wireless Internet service in libraries has never been discussed at a committee of Council;

THEREFORE BE IT RESOLVED THAT beginning in 2009 wireless internet services be provided free of charge to patrons of the Winnipeg Public libraries.

RE: Provision of Free Public Wireless Service in the Winnipeg Public Libraries

FOR SUBMISSION TO:	Standing Policy Committee on Protection and Community Services
ORIGINAL REPORT SIGNED BY:	Clive Wightman, Director Community Services Department
REPORT DATE:	March 2, 2009

RECOMMENDATION(S):

1. That the City of Winnipeg issue a change of work order to the existing wireless Internet contractor, MTS Allstream Inc., to provide free public wireless Internet services in all City public libraries and the Pan Am pool, under the conditions agreed to with MTS Allstream Inc.

2. If desirable, the City of Winnipeg will fund this change, during the term of the current contract which expires on April 30, 2012, to a maximum of $30,000 per year by reducing the transfer to the Library Technology Reserve.

Report Summary

Key Issues:

- The existing public wireless service is provided to the public for a fee by MTS Allstream Inc.
- The contract expires on April 30, 2012.
- The contract includes clauses for the relocation, addition and deletion of sites in the event that the City chooses to relocate or delete its service points; or to add sites that do not currently have public wireless access services. There are no charges or penalties associated with cancelling service at a site.
- The service is provided in all twenty Winnipeg Public Library branches and the Pan Am pool.
- Providing the existing service for free will result in increased operating costs to the City and a reduction in revenues.
- MTS Allstream Inc. is agreeable to working with the City to provide the public with free wireless Internet service in all twenty public library branches and the Pan Am pool.
- MTS Allstream Inc. would provide an unlimited access code which would be set by the City and changed on a regular basis.
- Use of the access codes would be restricted to open hours in the Winnipeg Public Libraries and the Pan Am pool.

- If desired, the City would pay to MTS Allstream Inc., $1.00 per hour for each hour of connect time identified in the quarterly report to a maximum of $30,000 or less per year by reducing the transfer to the Library technology Reserve.
- The City will amend the contract so that the City has the right to limit the service further in order to keep the cost to the City at $30,000 or less per year.

Implications of the Recommendation(s):

General Implications

( ) None

( ) For the organization overall and/or for other departments

(X) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): Users of the Winnipeg Public Library and the Pan Am pool would be able to obtain free wireless Internet access using their own wireless devices.

Policy Implications

(X) No

() Yes

Comment(s):

Regulatory Implications

(X) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(X) No

( ) Yes

Comment(s):

Human Resources Implications

(X) No

( ) Yes

Comment(s):

Financial Implications

( ) Within approved current and/or capital budget

(X) Current and/or capital budget adjustment required

Comment(s): If desired, the City will fund this change initiative to a maximum of $30,000 per year by reducing the transfer to the Library Technology Reserve.

Report

REASON FOR THE REPORT:

On December 1, 2008, the Standing Policy Committee on Protection and Community Services recommended that the Public Service report back within ninety (90) days on the concept of providing wireless internet services free of charge to patrons of the Winnipeg public libraries, including information on other Canadian jurisdictions.

HISTORY:

The Community Services Department, Library Services Division, in conjunction with the Chief Information Officer and the Corporate Information Technology Department, issued Bid Opportunity 486-2006 for the “Provision of Public Wireless Access” with a submission deadline of August 28, 2006. This bid opportunity resulted in no award of contract as the bids were either non-responsive or non-compliant.

In an effort to receive a compliant bid, the specifications were revised to provide for broader proposals, ensure clarity of needs, and increase the term of the contract. A revised Bid Opportunity 650-2006 for the "Provision of Public Wireless Access" was issued with a submission deadline of January 31, 2007.

On January 31, 2007, the Materials Management Division received a total of seven (7) bids for the "Provision of Public Wireless Access" Bid Opportunity 650-2006. MTS Allstream Inc.'s Proposal A was the most advantageous offer. A contract with MTS Allstream was awarded for five (5) years with an option to extend the contract for up to five (5) years. The initial contract expires on April 30, 2012.

The service went live on September 10, 2007, in all 20 Winnipeg Public Library branches and the Pan Am pool.

At the November 19, 2008 Council meeting, a motion was referred to the Standing Policy Committee on Protection and Community Services in accordance with Rule 16.1 of the Procedure By-law recommending that wireless internet access be provided free of charge to patrons of the Winnipeg Public Library.

At the December 1, 2008, Standing Policy Committee on Protection and Community Services meeting, it was recommended that the Winnipeg Public Service report back within ninety (90) days on the concept of providing wireless internet services free of charge to patrons of the Winnipeg public libraries, including information on other Canadian jurisdictions.

DISCUSSION:

Current Situation:

The Public Wireless access service, as supplied under the existing contract by MTS Allstream Inc., was implemented at all 20 public library branches and the Pan Am pool. These services are being provided to the public by MTS Allstream Inc. using City of Winnipeg facilities as the service delivery points. Administration of the contract is the responsibility of the Community Services Department, Library Services Division. The service went live on September 10, 2007.

As the total conditional amount to be paid by the City pursuant to the contract was $28,015, which did not exceed $1 Million, and since the contract is for a corporate purchase, and since the contract does not exceed five years, and the potential revenues under the contract did not exceed $100,000 and there were no firm commitments for funds not yet approved by Council, the Manager of Materials approved the award of contract under the authority delegated pursuant to Administrative Directive FM-002.

Currently, using their own wireless device, individuals can go to any of the twenty Winnipeg Public Library branches or the Pan Am pool to obtain free wireless access to a walled garden of City eServices. However, the walled garden does not include expanded access to the entire Internet.

Access to other Internet sites under the existing contract is provided for a fee set by MTS Allstream Inc.

MTS Allstream Inc. is required to provide 24x7 telephone support for the wireless service.

The public wireless access service is provided by MTS Allstream Inc. for a fee ranging from $3.36/hour to $39.15/month. MTS Allstream Inc. is responsible for all online wireless access sales, with a commission paid to the City of Winnipeg. MTS Allstream Inc. is providing a web based application for supporting the sale of wireless services for longer durations using credit cards as the only form of payment.

One-hour access code sales (@ $3.00 each) are the responsibility of the City of Winnipeg, with 100% of the revenue collected at City sites, paid to the department/division responsible for the site.

The contract includes clauses for the relocation, addition and deletion of sites in the event that the City chooses to relocate or delete its service points; or to add sites that do not currently have public wireless access services. There are no charges or penalties associated with cancelling service at a site.

During the twelve month period from Sept. 1, 2007 to Aug. 31, 2008, the City of Winnipeg has generated $3,062.96 in net revenue. During that period, the City purchased 1,187 worth of one-hour access codes at $1.00 each, sold 1,187 one-hour access codes for $3.00 each and earned $688.96 in commission from MTS Allstream Inc.'s online sales.

During the same period, the service was used 5,699 times for a total of approximately 5,485 hours of connect time.

The number of support calls received by MTS Allstream Inc. related to City sites averaged 30 calls per month.

The number of service outages related directly to the service delivery by MTS Allstream Inc. has been minimal.

The amount of data transmitted/uploaded by client devices has been over 32 billion characters. The amount of data received/downloaded by client devices has been over 230 billion characters.

Other Library Jurisdictions in Canada:

Twenty-four large Canadian libraries were recently contacted and all but one currently provides public wireless service and, of those providing it, all were free. The remaining library plans to offer the service in the future for free.

Proposal:

MTS Allstream Inc. is agreeable to working with the City of Winnipeg to provide the public wireless Internet service for free in Winnipeg Public libraries and the Pan Am pool.

MTS Allstream Inc. would provide an unlimited access code which would be set by the City and changed on a regular basis.

MTS Allstream Inc. would restrict the use of the access codes to Winnipeg Public Library facilities and the Pan Am pool during regular open hours.

The City would pay to MTS Allstream Inc. $1.00 per hour for each hour of connect time up to a maximum of $30,000 per year.

The specific conditions of the proposed agreement are listed in Appendix A.

Financial Impact Statement

Date: March 2, 2009

Project Name:

Free Public Wireless Service in the Winnipeg Public Libraries

First Year of Program **2009**

	2009	2010	2011	2012	2013
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 30,000	$ 30,000	$ 30,000	$ 30,000	$ -
Less: Existing Budget Amounts	30,000	30,000	30,000	30,000	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The anticipated implementation date for the Free Public Wireless Service is June 1st, 2009. The City will fund this change initiative to a maximum of $30,000 per year by reducing the transfer to the Library Technology Reserve.

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

- Director, Corporate Support Services
- Materials Management Division

External Consultation With:

THIS REPORT SUBMITTED BY:

Community Services Department
Library Services Division
Prepared by: Rick Walker and Allan Pritchard
File No.

APPENDIX A

Conditions under which MTS Allstream Inc. would provide the public access wireless Internet service free to users in the Winnipeg Public Libraries and the Pan Am pool.

1. MTS Allstream Inc. would provide an unlimited access code which would be set by the City of Winnipeg and changed on a regular basis. The recommendation is to change the code daily to limit liability and abuse.
2. The City would communicate each new access code to each facility as required prior to opening.
3. MTS Allstream Inc. would restrict the use of the access codes to Winnipeg Public Libraries and the Pan Am pool.
4. The City or MTS Allstream Inc. would restrict access to the service to regular open hours.
5. MTS Allstream Inc. would prepare and submit a quarterly report outlining the total connect time of the unlimited access codes at City facilities.
6. The City would pay to MTS Allstream Inc. $1.00 per hour for each hour of connect time identified in the quarterly report.