Minutes – Council – February 22, 2024

Minute No. 151
Report – Executive Policy Committee – February 13, 2024

Item No. 3 **Approval of the Single Source Maintenance Contract for the NICE Multi-Media Logger for Years 2 to 5 with Motorola Solutions Canada Inc.**

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the single source negotiation and award of contract to Motorola Solutions Canada Inc. for the Maintenance and Support, as well as the Software Upgrade Agreement, for the NICE Multi-Media Logger for years 2 to 5 for the total value of $1,156,774 GST and MRST extra, as applicable, be approved and that the City award, enter into, execute and deliver this extension pursuant to B4.1 (f) of the Materials Management Policy, where the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreement with respect to the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc. in the amount of $1,156,774.00 plus applicable GST and MRST, in accordance with the terms and conditions set forth herein and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City, as well as such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the “Ancillary Agreements”).

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of all future agreements and Ancillary Agreements with respect to the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc., in accordance with terms and conditions similar to those set forth herein and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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

Report – Executive Policy Committee – February 13, 2024

DECISION MAKING HISTORY:

Moved by His Worship Mayor Gillingham,
That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 13, 2024, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: Approval of the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc.

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
G. Spado	Chief D. Smyth	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The multi-media logger, manufactured by NICE Systems Ltd, will be used by the Winnipeg Police Service (WPS) Communications Centre to record all telephone communications, radio communications, and screen recording of computers within the Centre. A contract for maintenance and support, as well as a Software Upgrade Agreement (SUA), are required from Motorola Solutions Canada Inc. to ensure consistent and correct functioning of this critical WPS system, and to ensure that it continues to operate properly with the Provincial Public Safety Communications System (PSCS).

The Recommendations of this Report are compliant with the Materials Management Policy and applicable Trade Agreements.

RECOMMENDATIONS

1. That the single source negotiation and award of contract to Motorola Solutions Canada Inc. for the Maintenance and Support, as well as the Software Upgrade Agreement, for the NICE Multi-Media Logger for years 2 to 5 for the total value of $1,156,774 GST and MRST extra, as applicable, be approved and that the City award, enter into, execute and deliver this extension pursuant to B4.1 (f) of the Materials Management Policy, where the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreement with respect to the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc. in the amount of $1,156,774.00 plus applicable GST and MRST, in accordance with the terms and conditions set forth herein and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City, as well as such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of all future agreements and Ancillary Agreements with respect to the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc., in accordance with terms and conditions similar to those set forth herein and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

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

REASON FOR THE REPORT

Council has the authority to approve single source negotiations and award of contract that commits funds from budgets that have not yet been approved.

The contract will span 2025 to 2028 calendar years, while invoiced and paid yearly from then-approved operating budgets.

IMPLICATIONS OF THE RECOMMENDATIONS

It should be noted that there are no General, Policy, Regulatory, Environmental or Human Resources Implications. Budgets for 2025 through 2028 have yet to be approved; as such, Council approval is required to commit funding to support the maintenance of the multi-media logger from 2025 through 2028.

HISTORY/DISCUSSION

It is recommended that approval of a Single Source contract for the maintenance, support and software upgrades of the multi-media logger be approved by Council.

On October 27, 2023, the Chief Financial Officer approved an award of contract to Motorola Solutions Canada Inc for the supply and delivery of NICE Multi-Media Recording Solution equipment, software and maintenance agreement in the amount of $1,075,056, plus GST and MRST as applicable. This allowed for the purchase of the equipment and first year of support at a preferential rate under a National Master Standing Offer.

At the time of the award, there was an approaching deadline to the offer, as the National Master Standing Offer was set to expire. This prevented the multi-year maintenance, support and Software Upgrade Agreement (SUA) from being presented to Council. However, price negotiations had taken place with Motorola, and the Winnipeg Police Service (WPS) was able to negotiate a price reduction on the maintenance, support and SUA that is advantageous to the City.

Having a multi-media logger is required by legislation to record and store 911 audio for a minimum of two years. Failure to comply with this condition can result in the loss of licence as issued by the Province of Manitoba. It is imperative that this equipment be maintained in proper working order and receive all required updates in order to continue functioning as designed. The execution of this maintenance and support/SUA agreement will accomplish this goal.

Start date for this maintenance and support/SUA agreement is currently undetermined, as it is contingent on the implementation date of the equipment, as well as migration to the Provincial Public Safety Communications System (PSCS). The equipment is anticipated to be installed in Q2 of 2024. As the term of the initial agreement runs from December 27, 2023, until either final project acceptance or expiration of the warranty period (whichever comes last), the proposed year 2 – 5 agreement would start Q2 2025 and run through Q2 of 2029, with final invoice being submitted and paid in Q2 2028.
The award of contract as a single source is justifiable, as Motorola is a strategic partner of NICE Technologies, and they conduct research and development together. NICE has a team embedded at the Motorola System Support Center, and pricing provided by Motorola was in consultation with NICE. The multi-media logger will be part of a complex environment, and the provision of support and software upgrades encompasses multiple interfaces, including the Motorola Archive Interface Server (AIS), Motorola Provincial Radio Network, Motorola Border Router and Firewall, and NICE multi-media logger.

Motorola serves as the singular point of contact, streamlining the process by consolidating all support requests into a single ticket. The system is anticipated to be integrated to the Motorola Astro 25 radio network that the WPS anticipates joining in 2024, which is also maintained by Motorola Solutions Canada Inc., and which is owned by the Province of Manitoba with other public safety agencies in the province using it, including the RCMP.

This procurement is subject to the *New West Partnership Trade Agreement* (“NWPTA”), the *Canadian Free Trade Agreement* (“CFTA”), and the *Comprehensive Economic and Trade Agreement* (“CETA”) and associated *Canada-UK Continuity Agreement*. Article 19.12 of CETA states that limited tendering may be used where services can only be provided by one particular supplier, and no reasonable alternatives exist due to an absence of competition for technical reasons. There is an equivalent exception in Article 513(b) of the CFTA. As a result of RCMP security requirements, having a maintenance contract on equipment connected to the radio system with anyone not yet vetted by the RCMP may be cause for concern. In order to properly function, the multi-media logger must have upgrades by Motorola that match corresponding upgrades being conducted by Motorola on the radio network. The maintenance and software installations are required for both the NICE system and Motorola software. Motorola Solutions Canada Inc. can provide licensing, upgrades, preventative maintenance, and user training for this product without raising such technical security concerns.

Discussions have taken place with Motorola Solutions Inc. about the impact of not entering a contract for the prescribed services. The response is that there will be no price certainty, and pricing would be quoted on an annual basis. Expectations would be that taking such action would increase the amounts required significantly, and in excess of previously-negotiated gains. Of note, Motorola was requested to provide an approximate pricing should software upgrades be required without a contract. Proceeding in this manner would increase the Software Upgrade portion by more than $200,000 alone, not including price increases to the Maintenance and Support of the equipment.

It is in the opinion of the WPS that the proposed contractor has the skills and resources to satisfactorily complete the work and therefore recommends that a contract be awarded to Motorola Solutions Canada Inc.

In accordance with the Materials Management Policy B4.5, the cost-benefit analysis of this solution is as follows:

Cost Benefit Analysis for Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc.

OPTION	COST	BENEFIT
(1) Enter into multi-year support agreement with Motorola Solutions Canada Inc.	Estimated amount of $1,156,774 plus applicable taxes for the supply of Maintenance, Support and Software Upgrade for medial logger for years 2 through 5 from time of installation of equipment, anticipated to be 2025-2029.	The support, maintenance and software upgrade agreement will protect the investment made in the original equipment in the amount of $1,075,056 made in 2024 by ensuring continued and reliable service and maintenance on the equipment. Having a single point of contact for any issues ensures timely responses. The SUA will ensure that the equipment is always aligned with the radio equipment to prevent any conflicts or issues in the software. The contract ensures price certainty through the expected life cycle of the equipment.
(2) Not enter agreement for maintenance, support and SUA, and purchase services as required.	Without a contract, there is no price certainty, and annual maintenance and support would need to be purchased annually. It is anticipated that these costs would be at a significant increase in cost, and would lose previously negotiated benefits on pricing for the City. Furthermore, the SUA would also be required at a significantly higher cost, but would be necessary to ensure the equipment runs properly with the connected radio network, and the SUA is only available via Motorola Solutions Canada Inc.	None.

On January 3, 2024, the Winnipeg Police Board received this report from the Winnipeg Police Service for review and consideration. On January 3, 2024, through communication from the Secretary, the Winnipeg Police Board advised that it accepted this report, and indicated that the Winnipeg Police Service may proceed with the submission of this report.

FINANCIAL IMPACT

Financial Impact Statement

Date: December 22, 2023

Project Name:

First Year of Program **2025**

Approval of the Single Source Maintenance Contract for the NICE Multi-Media Logger for years 2 to 5 with Motorola Solutions Canada Inc.

	2025	2026	2027	2028	2029
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	$ 287,882	$ 301,786	$ 316,381	$ 331,699	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 287,882	$ 301,786	$ 316,381	$ 331,699	$ -
Less: Existing Budget Amounts	287,882	301,786	316,381	331,699	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Direct costs above is for the maintenance of the NICE multi-media logger for years 2 through 5 in the total amount of $1,156,774 plus MRST, as applicable. Funds are available within the draft 2024 Winnipeg Police Service operating budget.

Tara Holowka December 22, 2023

Tara Holowka, CPA, CGA
Executive Director of Finance
Winnipeg Police Service

CONSULTATION

This Report has been prepared in consultation with:

- Winnipeg Police Board
- Legal Services Department

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Winnipeg Police Service
Division: Communications, Division 36
Prepared by: Insp. Gord Spado
File: 1067-2023
Date: January 3, 2024