Minutes – Executive Policy Committee – July 9, 2024

REPORTS

Item No. 5 Award of Contract for the Provision of a Public Safety Radio Communication System and Services through a Cooperative Procurement with the Government of Manitoba

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That the City of Winnipeg enter into, execute, deliver, and award a contract for the provision of a Public Safety Radio Communication System (PSCS) and Services to Bell Mobility, at a total estimated cost of $26,484,000.00 (GST and MRST exempt) for a period of 12 years (2024 - 2036) from the date of this award.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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

DECISION MAKING HISTORY:

Moved by Councillor Duncan,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

ADMINISTRATIVE REPORT

Title: Award of Contract for the Provision of a Public Safety Radio Communication System and Services through a Cooperative Procurement with the Government of Manitoba

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
O. Jegede	T. Gooch	T. Graham	M. Geer Acting CAO

EXECUTIVE SUMMARY

The Innovation and Technology Department is seeking approval for the award of contract for the provision of a Public Safety Radio Communication System and Services to Bell Mobility for a period of twelve (12) years.

This system, called the Manitoba Public Safety Communications System (PSCS), is a fully managed public safety network solution that is monitored on a 24/7/365 basis, and has public safety grade reliability. This network was built by Bell Mobility on behalf of the Government of Manitoba, and Bell Mobility is responsible for managing and refreshing the system on behalf of the Province.

Through discussions with the Government of Manitoba and Bell Mobility, the City of Winnipeg (City) has determined that migrating to the PSCS would provide significant long-term savings, and it is in the City's best interest to migrate to the Manitoba PSCS. Migrating to the Manitoba PSCS is projected to save approximately $18,000,000 in costs over the duration of the contract when compared to the cost of managing the existing City-managed solution for the same time period. The Manitoba PSCS network will be used by the Winnipeg Police Service, Winnipeg Fire Paramedic Service, and Winnipeg Transit for the purpose of radio communication service.

The Recommendation of this Report is compliant with the Materials Management Policy and applicable trade agreements, and qualifies for a cooperative (collaborative) negotiations.

RECOMMENDATIONS

1. That the City of Winnipeg enter into, execute, deliver, and award a contract for the provision of a Public Safety Radio Communication System (PSCS) and Services to Bell Mobility, at a total estimated cost of $26,484,000.00 (GST and MRST exempt) for a period of 12 years (2024 - 2036) from the date of this award.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

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

REASON FOR THE REPORT

As the total conditional amount to be paid by the City pursuant to the contract is for multiple years, affecting yearly operating budgets not yet approved by Council, Council's approval is required.

IMPLICATIONS OF THE RECOMMENDATIONS

The City will make a one-time lump sum payment followed by quarterly payments under the contract. This contract requires a minimum purchase of $26,484,000.00 and a twelve (12) year commitment.

HISTORY/DISCUSSION

Reliable radio communication is essential for the City of Winnipeg's public safety services. From 1998 through 2017, the City subscribed to a radio communications network service, then managed by Manitoba Telecom Services (MTS), called FleetNet, for public safety communications.

With the goals of improving service, increasing stability, and lowering costs, the City elected to bring management of the radio network in-house in conjunction with an upgrade to the latest P25 digital radio communications standard. On November 18, 2015, the City awarded (Award Report 635-2014) a contract for the purchase of the P25 Radio System and Services for a 15-year period from date of award, to Harris Canada Systems Inc. (now called PSPC Canada Systems Inc.), in the total conditional amount of $11,651,252.72 plus MRST and GST for a period of fifteen years.

The City's P25 Radio Network was launched in 2017, and is managed by the Innovation & Technology Department. PSPC Canada Systems Inc. provides hardware and software support, under a maintenance contract renewable every five (5) years. The City renewed a maintenance contract with PSPC Canada Systems for five (5) years until May 2028; however, there are no warranties, therefore any equipment replacement costs would be borne by the City of Winnipeg.

In October 2017, the Government of Manitoba issued Request for Proposals No. 700-42_171017 for a Manitoba "Public Safety Communications Service (PSCS)". In 2018, the Government of Manitoba subsequently awarded the contract for "Manitoba Public Safety Communications Service" to Bell Mobility. The System was implemented fully on June 1, 2021 on a term of fifteen years through June 30, 2036. The Province of Manitoba's public safety communication system is used by all major police and public safety agencies outside of Winnipeg.

The City's public safety departments (i.e., Winnipeg Police Service (WPS) and Winnipeg Fire Paramedic Service (WFPS)) require communications interoperability with each other, and with external public safety partners across the Province for reciprocal agreements, joint public safety operations, etc. Operations are frequently conducted outside the City of Winnipeg and this places members outside the coverage area of the City-owned P25 Radio Network, which causes a safety risk to officers who rely solely on their radios to communicate with dispatch centres and other officers. The PSCS provides reliable coverage to areas inhabited by over 99 percent of all Manitobans, and there are no competitors who currently offer a product with this service level in the Province.

In August 2022, after analyzing the operational risks and cost-benefit of running its own P25 Radio Network, including an estimated savings $18,000,000, the City engaged the Government of Manitoba in discussions regarding migration to Manitoba's PSCS. Migration to the PSCS would improve interoperability between the City's public safety departments and other public safety entities throughout the Province, and would provide reliable coverage for Winnipeg Transit Administration. In addition, migration to the PSCS would extend the geographic coverage beyond the City limits for the safety and security of front-line personnel and enhance collaboration with provincial partners on joint operational initiatives.

Through these discussions, the Government of Manitoba extended an offer to the City to migrate to the PSCS. To enhance PSCS coverage within the City, installation of new P25 network infrastructure-related equipment is needed at existing City-owned radio sites. Bell Mobility submitted a detailed proposal in November 2022 outlining all of the requirements for migration.

The City considered the option of issuing its own tender document for the provision of a P25 Public Safety Radio System and Services; however, the interoperability with other public safety agencies across the Province was deemed paramount. All provincial agencies use the Manitoba PSCS, a service managed by Bell Mobility.

Bell Mobility is responsible for all maintenance support and upgrades of this P25 Network Infrastructure for the life of the contract. The City's agencies are responsible for purchasing their end user equipment (i.e., two-way radios and accessories). The City owns and would continue to be responsible for the 911 communication centres and some site infrastructure (such as heat ventilation air condition system, radio towers, etc.) at the three (3) City-owned P25 Radio Sites.

At the regular meeting of Council on July 13, 2023, a report was approved related to New and Modified 2023 Capital Projects Funded by the 2023 Provincial Strategic Infrastructure Basket which included approval of a new Public Safety Communication System capital project along with the use of $19,982,000 for the City to join the Province of Manitoba's PSCS. These funds have been allocated to include $10,000,000 as an up-front payment, with the balance used to supplement funding for the ongoing payments through 2036. The balance of the required funds would be equally shared by the Winnipeg Police Service and Winnipeg Fire Paramedic Service in the annual amount of $279,895.83 per department, to be paid from operating expenses.

A contract of this nature is a "cooperative contract" pursuant to the applicable Trade Agreements (the New West Partnership and Trade Agreement ("NWPTA"); the Canadian Free Trade Agreement ("CFTA"); the Canada-European Union (EU) Comprehensive Economic and Trade Agreement ("CETA"); and the Canada UK Trade and Continuity Agreement. The recommendation to award a co-operative (collaborative) contract to Bell Mobility meets the City's procurement obligations. Bell Mobility is the only authorized provider of the Manitoba

PSCS and there are demonstrated advantages of migrating to the Manitoba PSCS, including the ability to easily communicate and collaborate with other public safety entities already on the PSCS, the extension of the geographic coverage for the City's handheld and vehicle-installed radio equipment, and the improved safety for members.

On May 23, 2024, the Winnipeg Police Board received this report from the Winnipeg Police Service for review and consideration. On May 23, 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: May 7, 2024

Project Name:

First Year of Program **2024**

AWARD OF CONTRACT FOR THE PROVISION OF A PUBLIC SAFETY RADIO COMMUNICATION SYSTEM AND SERVICES

	2024	2025	2026	2027	2028	2029 and Beyond
Capital						
Capital Expenditures Required	$ 10,000,000	$ 813,875	$ 813,875	$ 813,875	$ 813,875	$ 6,511,000
Less: Existing Budgeted Costs	10,000,000	813,875	813,875	813,875	813,875	6,511,000
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	$ -	$ 559,792	$ 559,792	$ 559,792	$ 559,792	$ 4,478,332
Less: Incremental Revenue/Recovery	-	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ 559,792	$ 559,792	$ 559,792	$ 559,792	$ 4,478,332
Less: Existing Budget Amounts	-	559,792	559,792	559,792	559,792	4,478,332
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Costs above represent the provision of a P25 Public Safety Radio Communication System (PSCS) for a twelve year period (2024-2036), in the estimated amount of $26,484,000 (GST and MRST exempt). Funding is included in the Winnipeg Police Service (WPS) and the Winnipeg Fire and Paramedic Service (WFPS) 2024-2027 Adopted Operating Budgets and the 2024-2029 Adopted Capital Budget (Project 3401204023).

Randy Bernard

Randy Bernard, CPA, CMA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with: Materials Management, Legal Purchasing, WFPS, WPS and the Winnipeg Police Board.

OURWINNIPEG POLICY ALIGNMENT

1.4 Integrated Knowledge and Resources – Coordinate inter-departmental systems, projects and resources, making the best use of internal and external expertise to better understand service needs, find the most appropriate solutions, optimize resources, and maximize community outcomes.

1.6 Results-Based Budgeting – Use this Plan as a foundation for municipal budget priorities to achieve integrated, intergenerational life-cycle planning that maximizes community return on investment.

1.21 Strategic Procurement – Utilize coordinated procurement strategies across government

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Innovation & Technology
Division: Service & Infrastructure
Prepared by: O. Jegede
Date: May 21, 2024