

Report to / Rapport au:

**OTTAWA POLICE SERVICES BOARD
LA COMMISSION DE SERVICES POLICIERS D'OTTAWA**

29 October 2018 / 29 octobre 2018

Submitted by / Soumis par:

**Chief of Police, Ottawa Police Service / Chef de police, Service de police
d'Ottawa**

Contact Person / Personne ressource:

**Debra Frazer, Director General
*Frazerd@ottawapolice.ca***

SUBJECT: TELUS COMMUNICATIONS INC. WIRELESS SERVICES CONTRACT

**OBJET: CONTRAT DE SERVICES SANS FIL AVEC TELUS COMMUNICATIONS
INC.**

REPORT RECOMMENDATIONS

**That the Ottawa Police Services Board approve a contract with Telus
Communications Inc. for wireless services for a three year term from 5 November
2018 until 5 November 2021 at an approximate three year cost of \$2,862,000
including non-refundable taxes**

RECOMMANDATIONS DU RAPPORT

**Que la Commission de services policiers d'Ottawa approuve un contrat avec la
société Telus Communications Inc. prévoyant la prestation de services sans fil
pour une période de trois ans allant du 5 novembre 2018 au 5 novembre 2021,
moyennant un coût approximatif, pour les trois ans, de 2 862 000\$, somme
comprenant les taxes non remboursables.**

BACKGROUND

Telus was selected by the Board in October 2007 to supply wireless voice and data services to the Ottawa Police Service (OPS). The current contract with Telus ends on 10 February 2020.

In January of this year Telus was asked if it could propose new pricing so as to match price reductions implemented by other telecom providers. Telus was not under any obligation to review pricing, but did so to retain the OPS as a long term customer.

This report outlines the new Telus proposal which is based on a three year term with significant price reductions. For example, it will drop the monthly service charge for a typical OPS smart phone from \$45 to \$32.75, a reduction of 27.2%.

DISCUSSION

Frontline Mobility

Mobility is a key success factor in modern policing. Officers need the ability to operate on a continuous basis in any environment, supported by voice and data communications, in order to respond to the demand for police service.

Police operations are highly dependent on wireless telephony to support mobility. The 350 mobile workstations in frontline vehicles use a wireless network to send and receive data, which provides the officer with key information as they respond to and manage calls for service. There are also 50 portable computers which perform the same function for police members in non-frontline areas of OPS.

The smartphone also enables police members to have both wireless voice and data communication and it has become a key support to mobility. OPS currently has 883 smartphones deployed the organization. As well there are 150 cell phones which enable mobile voice communication.

The OPS is undergoing a transformation in technology as a part of the Modernization Roadmap Program (the Roadmap), with a focus on mobility. The goal of the Frontline Mobility stream of the Roadmap is to provide frontline officers with better access to information, un-tether them from their patrol vehicle and improve officer safety. It will also provide officers on foot and bike patrol access to important information. In addition to the replacement of the mobile workstations in OPS vehicles, a key feature of this work will be the deployment of an additional 650 smart phones (plus 100 for a replacement / repair float) so as to equip all front line officers with the device and significantly enhance their mobility. Taking into account this initiative, in 2019 OPS will have a total of 1,783 smartphones and cell phones.

Telus Price Reductions

The contract changes proposed by Telus are very timely for OPS. They align with key activities of the Frontline Mobility stream:1) the deployment of 650 additional

smartphones (plus 100 smartphones for a replacement / repair float) and 2) the replacement of existing mobile workstations in OPS vehicles.

The most important price reductions include:

- Monthly charge per smart phone reduces from \$45 to \$32.75, or 27.2%
- Monthly charge per cell phone reduces from \$18.50 to \$15, or 18.9%
- Monthly charge per mobile data device reduces from \$32 to \$18.50, or 42.2%
- The cost to acquire a smartphone drops from \$450 to \$185, or 58.9%

FINANCIAL IMPLICATIONS

Contract Costs

The total cost of the three year Telus contract is estimated to be \$2,862,000 including non-refundable taxes. These figures are based on the plan for increased deployment of smartphones and include monthly service charges and new and annual evergreening of smart phone hardware. (Phones are generally evergreened after two years of use.)

The financial implications over the life of this agreement can be summarized as follows:

Operating Costs	2019	2020	2021	Total
Wireless services	\$800,000	\$800,000	\$800,000	\$2,400,000
Capital Costs	2019	2020	2021	Total
Smartphone hardware**	\$198,000	\$94,000	\$170,000	\$462,000
	a. Frontline mobility: 550 devices @ \$185 + tax	a. Annual evergreen: 500 devices @ \$185 + tax	a. Annual evergreen : 900 devices @ \$185 + tax	
	b. Annual evergreen: 500 devices @ \$185 + tax			

**Capital expenses based on current smart phone model. Pricing may change as newer smart phone models come on the market.

Operating Budget Costs

Beginning in 2019 OPS will need to provide \$800,000 in the operating budget to cover current obligations plus the additional phones deployed under the Frontline Mobility plan. The favourable pricing under the new Telus contract eliminates the budget impact of the

expanded deployment. A total of \$853,100 is already built into the OPS operating budget for wireless services, resulting in a savings of \$53,100.

One Time Capital Budget Costs

Starting in 2019, on a one time basis, a total of 550 additional phones will be purchased for the Frontline Mobility Deployment Plan at an approximate cost of \$104,000. This cost will be funded by the Modernization Roadmap Program.

The cost of evergreening OPS mobile phones is funded annually by a telecommunications equipment project in the capital budget. The favourable pricing of new phones means that the increase in the number of phones to be evergreened (from 500 to 900 annually starting in 2021) can be covered by the existing level of funding provided to the capital project.

CONCLUSION

The timing and pricing of the proposed contract with Telus aligns strongly with the Modernization Roadmap work on Frontline Mobility. The favourable pricing will enable the OPS to almost double the number of phones deployed to members with no budget impact.