

Report to / Rapport au:

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

20 December 2021 / 20 décembre 2021

Submitted by / Soumis par:

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

Contact Person / Personne ressource:

Blair Dunker, Chief Administrative Officer

dunkerb@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 delegate authority to the Chief for the purchase of wireless services renewal from TELUS Communications Inc. for a three-year term from 1 January 2022 until 31 December 2024 at an approximate total value of \$3,362,000.00 excluding 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 la période de trois ans du 1^{er} janvier 2022 au 31 décembre 2024, moyennant un coût approximatif total de 3 362 000.00\$, somme excluant 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 agreement with TELUS ended on 5 November 2021, at which point the terms of that agreement were continued on a month-to-month basis. The OPS requested TELUS prepare a contract proposal in the

spring of 2021 to better reflect OPS' current and expected future requirements pertaining to access to wireless voice and data services. Given the shift of technological solutions towards solutions that rely on mobile data, such as cloud-based applications (ie. Microsoft 365) and other frequently used platforms in use at the OPS (ie. CAD, RMS), wireless data has become indispensable to OPS members fulfilling their daily work obligations.

This report outlines the new TELUS proposal which is based on a three-year agreement with significant increases in the amount of mobile data the OPS has access to for both its cellular and Machine-to-Machine devices at similar or reduced costs when compared to our previous agreement, signed in 2018.

DISCUSSION

The OPS maintains 2 main types of mobile devices: cellular phones (smartphones, voice-only devices, and data-only devices (i.e., tethering)) and Machine-to-Machine devices (for secure in-vehicle computing requirements such as in marked police vehicles). These utilize 2 different portions of the wireless infrastructure.

Cellular Phones

When the OPS signed the former wireless agreement with TELUS, the smartphone fleet was expected to increase from 500 to 900 devices as part of the Frontline Mobility initiative.

The OPS currently operates ~2,000 cellular devices, over 98% of these are smartphones, which are assigned to all sworn members, civilian senior leaders, managers, supervisors and select non-supervisory civilians. These devices have allowed these members to have better access to information and increased their productivity.

This new agreement with TELUS maintains OPS' current baseline rate plan for smartphone services while increasing the amount of data and voice services included within that rate, representing an aggregate reduction of ~%25 per gigabyte (GB) and eliminating some per-use costs such as long-distance minutes within North America and text/media messaging (SMS/MMS).

The other, less-used rate plans included in this agreement also include more data and the per-use costs listed above, while now being at a lower price point.

TELUS is also providing additional rate plans to the OPS, where the OPS will benefit from a monthly reduction for each current device that has been active for more than 24 months, and any new device activated after the effective date of this agreement that is

active for more than 30 months. This alone is estimated to result in \$180,000.00 in savings over the duration of the agreement.

Machine-to-Machine

The OPS currently operates 659 machine-to-machine devices (212 of these are to support Ottawa Fire Services). These devices allow first responders access to Computer Aided Dispatch information, and for police devices, access to confidential police information databases to allow for the performance of their duties.

The current technology in-place, Secure Internet Protocol Anywhere (SIPA), has been in use for the past 15 years, and the wireless industry has developed a new platform that this agreement will allow the OPS to begin using.

This new Internet of Things (IoT) platform, will allow the OPS to manage data allowances in a real-time manner for each billing cycle, which is expected to eliminate data overage costs. The IoT platform is expected to provide a 17% reduction in the cost of the OPS' and OFS' Machine-to-Machine data.

Lastly, this proposed agreement allows the OPS to access Machine-to-Machine pricing and packages that the City of Ottawa negotiates, should they exercise their option of renewing their current wireless agreement with TELUS.

Ottawa Fire Services (OFS)

This agreement allows the OPS to continue to provide OFS with access to machine-to-machine mobile data for their vehicles, at an estimated cost recovery to the OPS of \$108,000.00, plus applicable taxes, over the duration of this agreement.

FINANCIAL IMPLICATIONS

Contract Costs

The OPS has collaborated with the City of Ottawa Procurement Office and Information Technology Services in the preparation of this proposed agreement as part of continued efforts to strengthen and improve synergies between the City and OPS. The OPS has been successful in negotiating access to future City of Ottawa rates provided to them by TELUS. Since 2007, when the Board selected TELUS as the telecommunications provider for the OPS, a sole-sourced approach has been used in renewing telecommunications agreements. Given the time elapsed since a fulsome competitive process was completed, this will be the last agreement using this approach, and a full RFP will be used at the end of this agreement. OPS will work with the City's Procurement Office to develop this RFP during 2024.

An RFP was not feasible during the course of 2021 due to significant operational pressures placed on the OPS in implementing Next Generation 9-1-1 (NG9-1-1), as this technology is still being developed (with the assistance of the OPS) by the selected vendors. Delaying the signing of this agreement will place additional financial pressures on the OPS' operating budget due to the previous agreement's higher cost per unit of measurement of mobile data and the growth in data usage since 2018.

The total cost of the three-year TELUS agreement is estimated to be \$3,362,000.00 excluding non-refundable taxes. These figures are based on the planned minimum commitment of devices and include the monthly service charges and the annual evergreening of smartphone hardware. (Phones are generally evergreened between 24 and 36 months of use).

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

Operating Costs	2022	2023	2024	Total
Wireless services	\$923,000.00	\$923,000.00	\$923,000.00	\$2,769,000.00
Cost Recovery (OFS)	(\$36,000.00)	(\$36,000.00)	(\$36,000.00)	(\$108,000.00)
Total Operating	\$887,000.00	\$887,000.00	\$887,000.00	\$2,661,000.00
Capital Costs	2022	2023	2024	Total
Smartphone hardware annual evergreening*	\$341,000.00	\$180,000.00	\$180,000.00	\$701,000.00

*Capital expenses based on current smartphone model. Pricing may change as newer smartphone models come on the market, and these funds are already earmarked in the appropriate capital budget envelopes.

Operating Budget Costs

The budgeted amount for wireless services for 2021 were set at \$845,000.00, which was insufficient due to unexpected increases in mobile data usage; actual billed usage for 2021 is projected to cost approximately \$1,300,000.00. This agreement is expected to allow for annual savings of at least \$270,000.00.

Capital Budget Costs

The OPS has already budgeted amounts for smartphone hardware evergreening, and based on the current projected lifecycle forecasts, these funds are sufficient as-is without requiring re-alignment.

CONCLUSION

The timing and favourable pricing of the proposed agreement with TELUS is in line with the OPS' mandate and the evolving environment while being fiscally responsible.

The OPS recommend that the Board approve the renewal of this agreement.

The OPS is seeking financial delegated authority for the Chief of Police to execute this contract.