

TO:	CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE COMMITTEE MEETING ON MARCH 26, 2012
FROM:	JOSEPH EDWARD CHIEF TECHNOLOGY OFFICER
SUBJECT:	CELLULAR SERVICES

RECOMMENDATION

That, on the recommendation of the Chief Technology Officer, with the concurrence of the City Manager, the following actions **BE TAKEN** with respect to the provisioning of Cellular services for The Corporation of the City of London:

- (a) the Civic Administration **BE AUTHORIZED to** enter into a formal Request for Tender (RFT), for cellular services; (1) To perform a market analysis; (2) To enter into a one (1) year contract with up to four; (4) six (6) month extensions provided there are tangible business benefits. (3) To stay month to month if there are no tangible business benefits in moving with fixed term contract.
- (b) the Civic Administration **BE AUTHORIZED** to undertake all the necessary administrative acts in connection with this matter, including the execution of an Agreement; and
- (c) the approval of clause (b) above **BE CONDITIONAL** upon the Corporation negotiating satisfactory prices, terms and conditions with the contract award to the satisfaction of the Chief Technology Officer and the Manager of Purchasing and Supply

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Cellular Services and Hardware – Item #2 – Board of Control – October 17, 2007
 Cellular Services Single Source – Item #32 – Board of Control – August 25, 2010
 Cellular Services Single Source – Finance and Administration – October 19, 2011
 Information Technology Strategy – Item # 11 – Finance and Administration – January 16, 2012

BACKGROUND

In 2007, an RFP was issued for a 3-year term for a cellular services provider. After evaluation and benchmarking against predetermined criteria, Rogers Wireless was awarded the contract.

In 2010, Council approved a one year extension to fulfill the full term of the RFP.

In October 2011, TSD recommended to Council moving to a month to month program with Rogers Wireless for the following reasons.

- Completion of the development of comprehensive communication strategy
- Expiration of Telus contract for desk phone services on March 31, 2012

The recommendation was approved by the council.

The rapid advancement of mobile technology is forcing the cellular service vendors to redefine their service offerings. In most cases the costs are going down. Since we haven't locked cellular services with Rogers Wireless into a long term contract, TSD recommends that we make use of this opportunity to review the cellular costs and going into a short term contract through a Request for Tender (RFT) process. This approach could provide cost savings without binding the city into a long term contract and adversely affecting the implementation of the communication strategy. This strategy aligns with the IT strategy presented to Council.

The RFT and subsequently the short term contract with the service provider will then enable TSD to do the following:

- Access the current market conditions for current cell phone costs as they have significantly changed since the closure of the RFP.
- Customize a more flexible plan with features that properly align to current business usage of City staff.
- Provide benefit in potential cost savings
- Allow flexibility in a short term plan but garner the cost savings of a longer term arrangement.
- Allow time to await the results of the Government of Ontario Vendor of Record cellular costs initiative which is underway
- Provide more time to complete the communication strategy.

Approval for this selection is requested in accordance with the Procurement of Goods and Services Policy, Section 14.4 sections (d) and (e).

SUBMITTED & RECOMMENDED BY:	CONCURRED BY:
JOSEPH EDWARD CHIEF TECHNOLOGY OFFICER	TIM DOBBIE INTERIM CITY MANAGER

Cc: John Freeman, Manager of Purchasing and Supply