

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JUNE 22, 2020
FROM:	LYNNE LIVINGSTONE CITY MANAGER
SUBJECT:	MICROWAVE BACKHAUL REPLACEMENT RFP 20-19 MICROWAVE RADIO BACKHAUL REPLACEMENT AND SS 20-16 SINGLE SOURCE PROCUREMENT FOR ROUTER REPLACEMENT AND CONFIGURATION FOR MICROWAVE RADIO BACKHAUL PROJECT

RECOMMENDATIONS

That, on the recommendation of the City Manager, the following actions be taken, with respect to the Microwave Backhaul Replacement Project;

- a) the proposal submitted by Broadnet Telecom (Broadnet), 9464 Henri Bourassa West, VilleSaint-Laurent, Montreal, Quebec H4S 1N8, BE ACCEPTED for the design, implementation, installation and one year service of a microwave radio backhaul system including decommissioning of legacy equipment, for the pricing of one time implementation fee of \$809,223.00 (HST excluded), and subsequent five year(s) of an annual Service Level Agreement (SLA_ fee of \$6,250.00 (HST excluded);
- b) the financing for the microwave radio backhaul and decommissioning of legacy equipment noted above, BE APPROVED as set out in the Sources of Financing Report attached hereto as Appendix "A";
- c) the approval given herein in a) above, BE CONDITIONAL upon The Corporation of the City of London negotiating satisfactory terms and conditions with Broadnet to the satisfaction of the City Manager;
- c) in accordance with sections 14.d. and e. of the Procurement of Goods and Services Policy, the proposal from L3Harris Canada Systems to supply, install and configure MLPS routers BE ACCEPTED as the sole source provider at the quoted purchase value of \$257,857.71 (HST excluded);
- d) the financing for the supply, install, and configure of routers noted above, BE APPROVED as set out in the Sources of Financing Report attached hereto as Appendix "B";
- e) the Civic Administration BE AUTHORIZED to undertake all the administrative acts that are necessary in connection with parts a) and d) above; and,
- f) the approval hereby given BE CONDITIONAL upon The Corporation of the City of London entering into a formal contract, agreement or having a purchase order relating to the subject matter of the approval set out d) above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Community and Protective Services Committee, November 13, 2018: Emergency Communications Program Update (One Voice)

BACKGROUND

The City of London operates a community wide radio system that is used by emergency and city services to communicate during emergencies and regular operations. The system, commonly known as the “One Voice” system, is a critical communication system for London Police Service, London Fire Department, Environmental and Engineering Services and Corporate Security and Emergency Management. Part of the system includes a microwave backhaul that moves voice and data communication between the dispatch centres and the tower locations throughout the city. The current system was declared end of life on June 30, 2011, with the current service contract expiring on December 1, 2020. The microwave backhaul must be replaced this year.

To ensure the new microwave backhaul integrates with the rest of the radio system, additional proprietary Harris radio equipment and services are required. The installation of Harris routers are required to integrate the new microwave backhaul to the rest of the radio system. The installation of the routers are also required for future scheduled lifecycle maintenance.

In order to accomplish the necessary actions a Request for Proposal was issued for the replacement of the existing microwave backhaul system and a single source request was made to L3Harris Canada for the proprietary equipment.

DISCUSSION

Purpose

The purpose of this report is to seek approval for the following in relation to the Microwave Radio Backhaul replacement:

- a) that the Broadnet be approved as the successful proponent who will perform the design, supply, assembly, configuration, delivery, installation, commissioning and testing of a split-mount microwave backhaul radio network, its transmission line and associated antenna and equipment; and,
- b) to permit a one-time single source purchase from L3Harris Canada Systems to provide supply, installation and configuration of routers.

Purchasing Process - Microwave Radio Backhaul Replacement

The replacement of the City's current microwave system was anticipated as a scheduled lifecycle maintenance activity. The current system was declared end of life on June 30, 2011, with the current service contract expiring on December 1, 2020. In order to mitigate a potential service disruption, on March 2, 2020, the City issued a Request for Proposal (RFP) 20-19 Microwave Radio Backhaul Replacement for the design, supply, assembly, configuration, delivery, installation, commissioning and testing of a microwave radio backhaul replacement. Additionally, the successful proponent was required to provide a one (1) year warranty and maintenance contract. After the expiry of the initial one year contract, a Service Level Agreement (SLA) shall start for a five (5) year term. At the sole discretion of the City, there is an option to renew the contract for an additional two (2) terms of five (5) years.

After the RFP was posted, there were eleven (11) addenda issued to respond to questions, inquiries and requests for clarification. When the RFP closed, seven (7) submissions were received, and all seven (7) were compliant.

A two envelope RFP process was used – one envelope contained the technical project proposal and the second contained the pricing proposal.

With the assistance of the Procurement Officer, five (5) Evaluation Committee representatives from the City's Corporate Security and Emergency Management and Environmental and Engineering Services divisions, London Police Service and London Fire Department, evaluated the seven (7) submissions based on the technical criteria outlined in the RFP document. Of these, five (5) proponents passed the mandatory technical requirements and were evaluated further. When the final technical scores were determined, the pricing envelopes were then opened for four (4) short listed proponents, as one (1) of the submissions scored below an acceptable result by the Evaluation Committee.

At the end of the RFP process, the proponent with the highest score, demonstrating the ability to fully meet the City's requirements, was Broadnet Telecom Inc. The pricing for the one time implementation of the project is \$809,223.00 encompassing seven (7) deliverables and subsequent five years of annual Service Level Agreement fee of \$6,250.00 from year two (2) to year six (6).

Purchasing Process - Router Replacement and Configuration for Microwave Radio Backhaul Project

Given the proprietary and integrated nature of the current radio system and the new microwave backhaul, the Civic Administration is seeking approval to single source the supply, implementation and configuration of routers in accordance with the Procurement of Goods and Services Policy Sections 14.4 (d) and 14.4 (e) which state as follows:

“Single Source means that there is more than one source of supply in the open market, but only one source is recommended due to predetermined and approved specification.

The procurement may be conducted using a Single Source process if the goods and/or services are available from more than one source, but there are valid and sufficient reasons for selecting one supplier, in particular as follows:

- d. There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing contract (i.e. contract extension or renewal);
- e. The required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience;”

In order to successfully integrate the new microwave system with the existing radio system, L3Harris Canada has the required goods and services as well as the special knowledge to support the replacement of the microwave backhaul network by supplying and integrating new MPLS routers as well as updating existing router configurations as required. They are the only vendor who can provide this service. The one time implementation cost of \$257,857.71 will cover the supply, configuration and implementation of the MPLS routers, as well as engineering and implementation services from Harris.

Financial Impact

The funding to support this initiative, both operating and capital has been approved in the 2020-2023 Multi-Year Budget for Corporate Security and Emergency Management. Sources of Financing are attached as Appendix "A" and "B".

SUBMITTED BY:	
DAVE O'BRIEN DIVISIONAL MANAGER, CORPORATE SECURITY AND EMERGENCY MANAGEMENT	
RECOMMENDED BY:	RECOMMENDED BY:
IAN COLLINS DIRECTOR, FINANCIAL SERVICES	LYNNE LIVINGSTONE CITY MANAGER

APPENDIX "A"

Chair and Members
Corporate Services Committee

#20087
June 22, 2020
(Award Contract)

**RE: Microwave Backhaul Replacement - RFP 20-19 - Microwave Radio
(Subledger GG200002)
Capital Project GG1055 - One Voice Communications Infrastructure
Broadnet Telecom (Broadnet) \$809,223.00 (excluding HST)**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the City Manager, the detailed source of financing for this purchase is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Consulting	\$127,727	\$127,727		\$0
Construction	311,446	311,446		0
Communication Costs	9,853,673	6,972,005	823,465	2,058,203
NET ESTIMATED EXPENDITURES	<u>\$10,292,846</u>	<u>\$7,411,178</u>	<u>\$823,465</u> 1)	<u>\$2,058,203</u>
 <u>SOURCE OF FINANCING</u>				
Capital Levy	\$3,350,000	\$3,350,000		\$0
Debenture By-law No. W.-2032-80	5,610,040	2,728,372	823,465	2,058,203
Drawdown from Efficiency, Effectiveness and Economy Reserve	1,332,806	1,332,806		0
TOTAL FINANCING	<u>\$10,292,846</u>	<u>\$7,411,178</u>	<u>\$823,465</u>	<u>\$2,058,203</u>

1) Financial Note:

Contract Price	<u>TOTAL</u>
One Year Enhanced Service Fee	\$786,907
Subtotal	22,316
Add: HST @13%	809,223
Less: HST Rebate	105,199
Total Purchase Cost	<u>(90,957)</u>
	<u>\$823,465</u>

- 2) Operating costs will be \$6,250 per year for the annual service level agreement for years two to six, with options to renew for up to an additional ten years.

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Jason Davies
Manager of Financial Planning & Policy

APPENDIX "B"

Chair and Members
Corporate Services Committee

#20088
June 22, 2020
(Award Contract)

**RE: Microwave Backhaul Replacement - SS 20-16 - Single Source Procurement for Router Replacement
(Subledger GG200002)
Capital Project GG1055 - One Voice Communications Infrastructure
L3Harris Canada Systems \$257,857.71 (excluding HST)**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the City Manager, the detailed source of financing for this purchase is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Consulting	\$127,727	\$127,727		\$0
Construction	311,446	311,446		0
Communication Costs	9,853,673	7,795,470	262,397	1,795,806
NET ESTIMATED EXPENDITURES	<u>\$10,292,846</u>	<u>\$8,234,643</u>	<u>\$262,397</u> 1)	<u>\$1,795,806</u>
 <u>SOURCE OF FINANCING</u>				
Capital Levy	\$3,350,000	\$3,350,000		\$0
Debenture By-law No. W.-2032-80	5,610,040	3,551,837	262,397	1,795,806
Drawdown from Efficiency, Effectiveness and Economy Reserve	1,332,806	1,332,806		0
TOTAL FINANCING	<u>\$10,292,846</u>	<u>\$8,234,643</u>	<u>\$262,397</u>	<u>\$1,795,806</u>

1) Financial Note:
Contract Price
Add: HST @13%
Less: HST Rebate
Total Purchase Cost

<u>TOTAL</u>
\$257,858
33,522
<u>(28,983)</u>
<u>\$262,397</u>

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 Jason Davies
 Manager of Financial Planning & Policy