



REPORT FOR ACTION

Award Contracts to Motorola Solutions Canada Inc. for Radio Replacement Lifecycle Project

Date: April 24, 2018
To: Community Development and Recreation Committee
From: Fire Chief & General Manager Toronto Fire Services, Acting Chief & General Manager, Toronto Paramedic Services, Acting General Manager Toronto Water, and Chief Purchasing Officer
Wards: All

SUMMARY

The purpose of this report is to seek City Council authority to enter into an agreement with, Motorola Solutions Canada Inc. (Motorola), for the delivery of two-way radio products and services as a result of a competitive call issued by Toronto Police Services Request for Proposal (RFP) no. 1202372-17 for Radio Replacement Lifecycle Project for a ten year period to meet the voice radio requirements of Toronto Fire Services, Toronto Paramedic Services, and Toronto Water from the date of award to November 1, 2027.

A cost-benefit analysis was undertaken in support of the recommended approach. Leveraging the Toronto Police Services solicitation allows the City to benefit from the economies of scale providing the City with the best possible pricing for the supply, delivery for the two-way radio products and services at a highly discounted price.

RECOMMENDATIONS

The Fire Chief and General Manager, Toronto Fire Services, Acting Chief, Paramedic Services, Acting General Manager of Toronto Water and the Chief Purchasing Officer recommend that:

1. City Council grant authority for the Fire Chief and General Manager, Toronto Fire Services, Acting Chief and General Manager, Toronto Paramedic Services, and Acting General Manager, Toronto Water, to each negotiate and enter into an agreement with Motorola Solutions Canada Inc. for the supply and delivery of mobile and hand held portable radios as well as related parts, hardware, configuration, testing and professional services for a ten (10) year period, on terms satisfactory to each of the General Managers and in a form satisfactory to the City Solicitor as set out below:

a) The Fire Chief and General Manager, Toronto Fire Services enter into an agreement with Motorola Solutions Canada Inc. for the amount of \$13,750,000.00 net of HST recoveries;

b) The Acting Chief and General Manager, Toronto Paramedic Services enter into an agreement with Motorola Solutions Canada Inc. for the amount of \$5,168,000; and,

c) The Acting General Manager, Toronto Water enter into an agreement with Motorola Solutions Canada Inc. for the amount of \$554,000.00 net of HST recoveries.

2. City Council amend the 2018-2027 Capital Budget and Plan for Fire Services by converting future estimates for the Mobile Radios Lifecycle Replacement and Replacement of Portable Radios capital projects increasing total project costs by \$7,750,000 with cash flow commitments of \$2,700,000 in 2023 and \$5,050,000 in 2024, funded by reserve funding of \$2,700,000 in 2023 and \$2,638,000 in 2024, and by debt funding of \$2,412,000 in 2024.

3. City Council amend the 2018-2027 Capital Budget and Plan for Toronto Paramedic Services by converting future estimates for the Ambulance Radio Replacement (Future Years) and Ambulance Replacement Radios (2027) capital projects increasing total project costs by \$1,610,000 with cash flow commitments of \$450,000 in 2019, \$550,000 in 2020, and \$610,000 in 2027, fully funded by debt.

FINANCIAL IMPACT

The total contract award identified in this report is \$19,472,000 net of HST recoveries for the period 2018-2027.

Funding for both the operating and capital requirements in 2018 for the contract totalling \$6,827,000 is available in both the 2018 Approved Capital Budgets for Toronto Fire Services, Toronto Paramedic Services and Toronto Water (\$6,462,000) and the 2018 Operating Budgets for Fire Services, Toronto Paramedic Services and Toronto Water (\$365,000).

Recommendations in this report will result in approval of future year capital cash flow commitments (2019-2027) totalling \$9,360,000 comprised of \$7,750,000 in Fire Services and \$1,610,000 in Toronto Paramedic Services.

Future year (2019 to 2027) operating funding of \$365,000 annually is subject to Council approval and will be included in respective Operating Budget Submissions of participating Divisions.

Funding details are found in Attachment 1.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting held on October 26, 2017 the Toronto Police Services Board awarded "Vendor of Record for Voice Radios" to Motorola Solutions Canada Inc. (<http://www.tpsb.ca/component/jdownloads/send/42-2017/574-october-26>) Min. No. P232). The award was the result of a Request for Proposal (RFP) which closed August 30, 2017. The RFP included language that allows Toronto Fire Services and other City Divisions to use the award to meet their respective radio requirements.

At its meeting held on February 6, 2012 City Council authorized staff to negotiate and enter into an agreement with Motorola Solutions Canada Inc., the highest scoring proponent of an RFP, to supply, install and provide lifecycle support for the Toronto Radio Infrastructure Project (TRIP) for a period of 15 years. TRIP provides public safety grade radio communications for the City's three emergency services. While the resulting contract provided a limited number of subscriber radios, its primary focus was on infrastructure. The full report can be found at: <http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2012.EX15.9>

COMMENTS

The City of Toronto Radio Infrastructure Project was completed in 2015 and provides critical operational voice communications for Toronto Fire Services, the Toronto Police Service and Toronto Paramedic Services. The radio system, although manufactured by Motorola, uses an open radio standard known as the Association of Public-Safety Communications Officials (A.P.C.O.) Project 25 (P25). This non-proprietary standard allows operation of radios from other manufacturers on the radio system's infrastructure.

The firm JD Campbell & Associates was retained through a competitive bidding process administered by Toronto Police Services to act as Fairness Monitor for the RFP. The Fairness Monitor's scope of the work was to oversee the RFP process from the draft stages to execution which included oversight/integrity of the procurement process for the purpose of ensuring competitiveness, objectivity of the evaluation, transparency, and to prepare a final signed Attestation Report.

All three Toronto emergency services have requirements to replace aging portable and mobile radios over the next ten years. Since Toronto Police Services had both the most pressing need and by far the largest quantity of radios to replace, they moved forward with issuance of a Request for Proposal No. 1202732-17). The Request for Proposal was issued and advertised on June 30, 2017 and closed on August 30, 2017. Fifteen vendors downloaded the RFP, however only Motorola Solutions Canada Inc. submitted a proposal.

The solicitation issued by Toronto Police Services included a provision that required the successful proponent to offer the same discount pricing to other City of Toronto

Divisions. This allows City Divisions to take advantage of volume discounts that would otherwise be unavailable to them and allow the Toronto emergency services to enter into separate agreements satisfactory to each of the General Managers and in a form satisfactory to the City Solicitor.

The City of Toronto is utilizing the Toronto Police Services Contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body. Toronto Fire Services, Toronto Paramedic Services and Toronto Water reviewed the Motorola deliverables, which are found to meet City requirements, and have conferred with PMMD to ensure that the decision to take advantage of the Motorola contract met City procurement requirements.

JD Campbell & Associates concluded that the procurement process satisfied the principles of openness, fairness, consistency, and transparency. The Attestation Report from the Fairness Monitor is included in Attachment 2.

The Fair Wage office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and labour Trades requirements and has agreed to comply fully.

Proponent score by criteria, price comparison and a staff analysis of the evaluation results can be provided in an in-camera presentation if requested by Committee Members.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Financial Impact Table
Attachment 2: Fairness Monitor Attestation Report