

Amendment to Blanket Contract 47022313 with Beanfield Metroconnect for Wide Area Network Services

Date: July 6, 2026

To: General Government Committee

From: Interim Chief Technology Officer and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority to amend Blanket Contract 47022313 with Beanfield Metroconnect, a Toronto-based, Canadian supplier, for Wide Area Network Services, by an upper limit of \$14,000,000 net of all applicable taxes and charges (\$14,246,400 net of Harmonized Sales Tax recoveries), and amending the term by an additional five (5) years with the option to extend the contract by two (2) additional one (1) year periods.

A Wide Area Network (WAN) is a critical piece of digital infrastructure that connects many locations (Local Area Networks or LANS) into a single, secure network. It is the digital backbone that connects an organization's locations across a city, region, or country. For the City of Toronto, a WAN allows buildings like City Hall, emergency services, libraries, community centres, water facilities, traffic systems, and other municipal sites to operate as one connected organization.

Beanfield Metroconnect provides the WAN infrastructure and configuration that enables centralized access to shared systems and services at multiple City locations. The City's WAN also provides redundancy so that if one connection fails, services can continue without disruption.

The existing agreement has been in place since April 16, 2009, expires on April 16, 2027. This report recommends negotiating an amendment for an additional five (5) years with two additional, one (1) year option years, to maintain continuity of service, and continuing to leverage established infrastructure. At the time of writing this report, City staff verified through third-party analysis that pricing in this proposed amendment remains competitive.

A non-competitive procurement may be undertaken where both the proposed procurement and supplier can be justified in good faith based on an exception set out in

Toronto Municipal Code Chapter 195, Procurement. This procurement will be proceeding under the exception related to Exclusive Rights, where Beanfield Metroconnect and the City have determined in good faith that both the proposed procurement and the selected supplier, along with the terms and conditions of the contract, are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1.[C]).

RECOMMENDATIONS

The Interim Chief Technology Officer and Chief Procurement Officer recommend that:

1. City Council, in accordance with Section 195-7.1(C.) of Toronto Municipal Code Chapter 195 (Procurement) and Section 71-11.1.C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Interim Chief Technology Officer to negotiate an amendment to Blanket Contract 47022313 with Beanfield Metroconnect to a value up to \$14,000,000 net of all applicable charges and taxes (\$14,246,400 net of Harmonized Sales Tax Recoveries), revising the current contract value from \$23,490,110 net of all applicable taxes and charges (\$23,903,536 net of Harmonized Sales Tax recoveries) to \$37,490,110 net of all applicable taxes and charges (\$38,149,936 net of Harmonized Sales Tax recoveries) and extend the term an additional five (5) years with two (2) additional one (1) year option periods to April 16, 2034.

FINANCIAL IMPACT

The total value of the requested amendment is \$14,000,000 net of all applicable charges and taxes (\$14,246,400 net of Harmonized Sales Tax Recoveries). This will increase the contract ceiling from \$23,490,110 net of all applicable taxes and charges (\$23,903,536 net of Harmonized Sales Tax recoveries) to \$37,490,110 net of all applicable taxes and charges (\$38,149,936 net of Harmonized Sales Tax recoveries).

Table 1: Financial Impact Summary (Net of Harmonized Sales Tax Recoveries)

Division	Technology Services Division	Other Divisions	Total net of HST Recoveries (rounded to the nearest dollar)
Cost Centre	IT1031	Various	
Cost Element	5050402	5050402	
2027 (Apr-Dec)	\$903,912	\$537,688	\$1,441,600
2028	\$1,276,110	\$759,090	\$2,035,200
2029	\$1,276,110	\$759,090	\$2,035,200
2030	\$1,276,110	\$759,090	\$2,035,200

Division	Technology Services Division	Other Divisions	Total net of HST Recoveries (rounded to the nearest dollar)
Cost Centre	IT1031	Various	
Cost Element	5050402	5050402	
2031	\$1,276,110	\$759,090	\$2,035,200
2032	\$1,276,110	\$759,090	\$2,035,200
2033	\$1,276,110	\$759,090	\$2,035,200
2034 (Jan-Apr)	\$372,199	\$221,401	\$593,600
Total	\$8,932,770	\$5,313,630	\$14,246,400

Funding in the amount of \$8,932,770 net of Harmonized Sales Tax Recoveries will be included in Technology Services Division's 2027-2034 Operating Budget submissions for consideration through future years budget process.

The requested amounts for 2027-2034 for other City divisions are subject to annual budget allocations within each division's budget to the amount of \$5,313,630 net of Harmonized Sales Tax Recoveries. City Divisions may access this contract on an as-required basis for Wide Area Network services (WAN), as funded by their respective Capital and Operating budgets. While the purchases will fluctuate based on divisional requirements and other unforeseen factors, including expansion of sites and increased bandwidth requirements, the contract value takes this into account based on historical averages.

City divisions will access WAN services under the contract through the City's established service request and provisioning processes. Service orders, changes, and lifecycle management activities are managed through Telecom Expense Management System (CIMPL) and associated operational workflows.

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

DECISION HISTORY

In July 2008, City Council approved the agreement between Toronto Hydro Telecom Inc. and the City of Toronto for the Provision of Telecommunication Services and Use of City Proceeds from Sale of Toronto Hydro Telecom Inc. and authorized negotiation and finalization of fibre agreements.

<https://secure.toronto.ca/council/agenda-item.do?item=2008.EX22.16>

COMMENTS

A Wide Area Network (WAN) is a critical piece of digital infrastructure that connects many locations (Local Area Networks or LANS) into a single, secure network. It is the digital backbone that connects government locations across a city, region, or country. It allows City Hall, emergency services, libraries, community centres, water facilities, traffic systems, and other municipal sites to operate as one connected organization. Beanfield Metroconnect provides the WAN infrastructure and configuration that enables centralized access to shared systems and services at multiple City locations. The City's WAN also provides redundancy so that if one connection fails, services can continue without disruption.

Private fibre providers, such as Beanfield Metroconnect, supply the City with the physical fibre infrastructure, on which WANs operate, and the managed network services required to support and maintain reliable operations.

This report recommends amending the existing Blanket Contract with Beanfield Metroconnect to maintain access to established fibre networks and support ongoing service continuity, network redundancy, and security.

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SIGNATURE

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