



**REGIONAL MUNICIPALITY OF NIAGARA
POLICE SERVICES BOARD**

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February 22, 2021

SENT BY EMAIL

ann-marie.norio@niagararegion.ca

Ann-Marie Norio, Regional Clerk
Niagara Region
1815 Sir Isaac Brock Way
P.O. Box 1042
Thorold, ON L2V 4T7

Re: P25 Voice Radio System Expansion Capital Project

Dear Ms. Norio:

At its Public Finance Committee Meeting held February 11, 2021, the Niagara Police Services Board considered a Service report dated February 5, 2021 requesting the Board approve a recommendation to Regional Council for the creation of a capital project in the amount of \$2,402,810 gross and \$0 net to support the P25 Voice Radio System Expansion.

The following motion was passed:

'That the Board recommend to Regional Council that a capital budget adjustment in the amount of \$2,402,810 gross and \$0 net be approved and initiated for the P25 Voice Radio System Expansion Project and that it be funded through Other External Funding in the amount of \$2,402,810. Carried.'

Further to Board direction, I would ask that you take the necessary action. A copy of the report is enclosed.

Yours truly,

Deb Reid
Executive Director

Encl.

c: Mr. T. Harrison, Commissioner/Treasurer, Enterprise Resource Management, RMON



NIAGARA REGIONAL POLICE SERVICE

Police Services Board Report

PUBLIC AGENDA

Subject: P25 Voice Radio System Expansion Capital Project

Report To: Finance Committee Chair and Members, Niagara Police Services Board

Report Date: 2021-02-05

Recommendation(s)

That the Niagara Police Services Board recommends to Regional Council that a gross capital budget adjustment in the amount of \$2,402,810 gross and \$0 net be approved (and initiated) for the P25 Voice Radio System Expansion and that the project be funded through Other External Funding of \$2,402,810.

Key Facts

- The purpose of this report is to seek the Board's recommendation to Regional Council for the creation of a capital project in the amount of \$2,402,810 gross and \$0 net to support the P25 Expansion.
- At the January 21 Confidential Board Meeting, the Board approved the MOU with the Canadian Border Services Agency (CBSA) regarding the P25 Voice Radio System Licence Agreement and System Expansion as well as the related capital budget adjustment for 2021.
- The Service is bringing forward the capital budget adjustment request in a public agenda so that all budget deliberations can be done at the Region in public.
- This project will be fully funded by the CBSA.

Financial Considerations

The CBSA is assuming full responsibility for the necessary P25 VRS capital acquisition and operating expenses associated with Radio Sites infrastructure expansion equipment, Software Licenses, Professional SI (System Integration) Services, installation, provisioning, and Lifecycle Support Services. The capital investment is required to expand the channel capacity of the P25 VRS to meet the technical requirements for onboarding up to 500 CBSA Subscribers as a maximum upset limit.

There are three payment components:

1. Radio sites infrastructure expansion equipment and software licenses totalling \$2,062,821 (Capital).

2. Professional SI (System Integration) Services, installation, and provisioning totalling \$339,989 (Capital).
3. Warranty/Lifecycle support services totalling \$1,054,018 (Operating).

A capital project will be created for the equipment and installation with third party revenue from CBSA as the funding source. The NRPS will issue a Purchase Order (PO) to Motorola for the entire project and invoice CBSA concurrently based on the payment milestones for the first two components as noted below:

- 25% on contract signing
- 60% on shipment of equipment
- 10% on installation
- 5% on system acceptance

The impact to the Operating Budget will include the Warranty/Lifecycle Support Services annual expense, matching offsetting revenue from CBSA, as well as the annual license fee revenue to recover the Services operating expenses for running the P25 system.

For the Warranty/Lifecycle Support Services, the payments will be annualized throughout the support services lifecycle of ten (10) years. These payments will be an operating expense for the Service which will then be charged back to the CBSA annually.

Analysis

At the January 21 Confidential Board Meeting, the Board approved the MOU with the CBSA regarding the P25 Voice Radio System Licence Agreement and System Expansion as well as the related capital budget adjustment for 2021. The Service is bringing forward the capital budget adjustment request in a public agenda so that all budget deliberations can be done at the Region in public.

As per Regional By-law 2017-63 section 6.6 b) In-year receipt of funding for Capital Projects may result in the creation or broadening in scope of a Capital Project in accordance with and when required by the terms of funding received. If the funding is not included in the Council-approved annual budget, with the approval of the Commissioner and Treasurer (for amounts not exceeding \$1 million) a Budget Adjustment will be made to reflect the additional revenue and expenses. Amounts exceeding \$1 million will be adjusted with Council's approval.

As the Capital Project exceeds the \$1 Million threshold, the Service is requesting the Board forward this proposal to Regional Council for approval.

Alternatives Reviewed

None considered.

Relationship to Police Service/Board Strategic Priorities

The NRPS is dedicated to improving the services it provides its citizens and looks for opportunities to enhance the offering and delivery of those services, while at the same time improving the effectiveness and efficiency of its workforce.

Relevant Policy Considerations

- Regional Municipality of Niagara Police Services Board By-Law 384-2019, 'Financial Reporting, Control and Procurement of Goods and Services in the Niagara Regional Police Service.'
- Regional Municipality of Niagara By-Law No. 2017-63, 'A By-Law to Define Budget Control for the Regional Municipality of Niagara'.

Other Pertinent Reports

This report was prepared by Courtney Woods, Financial Analyst in consultation with Laura Rullo, Finance Manager and Akram Askoul, Director Technology Services, reviewed by Richard Frayne, Superintendent Corporate Services and recommended by Bill Fordy, Deputy Chief of Police, Support Services.



Submitted by:

Bryan MacCulloch, M.O.M. #5835
Chief of Police