
Subject: Award of 2022-RFP-187 – Next Generation 9-1-1

Report to: Corporate Services Committee

Report date: Wednesday, October 11, 2023

Recommendations

1. That this report **BE RECEIVED** for information and that the NG911 technology operating budget requirements **BE REFERRED** for consideration as part of the 2024 budget process.

Key Facts

- The purpose of this report is to update Council on the NG911 project operating and capital budgets, as well as an update on how the contract is being awarded to Motorola Solutions Inc.
- The Region's Procurement By-law 02-2016 Schedule B requires CAO delegated authority approval for purchases under \$5,000,000.
- To award the purchase, a gross budget adjustment totalling \$0.58 million will be completed within the approval limits in the Budget Control By-Law. This includes \$0.02 million from the Capital Variance – Levy project (CVP), \$0.25 million transfer of Levy operating funding made available because of Provincial NG911 funding received in-year, and \$0.31 million in cost share contributions from St. Catharines Fire and Niagara Parks Police.
- The purchase requires incremental operating budget to be established in NRPS of \$0.36 million annually, which will fund incremental Support & Maintenance required for the NG911 technology, as well as establish funding for future capital renewal of the hardware.
- A Negotiated Request for Proposal (nRFP) for NG911 Call Handing Solution, Managed Services and Maintenance and Support was issued on February 6, 2023, and closed on April 21, 2023. A total of four (4) submissions were received. Three (3) respondents met the minimum threshold to proceed to vendor demonstrations. Pricing was opened for three (3) respondents and all three (3) respondents entered into concurrent negotiations for best and final offer. The top ranked respondent following the BAFO submission was Motorola Solutions Inc. who also was the lowest cost.

- The existing 911 system has been in place for more than 30 years and has reached its end of life. The Canadian Radio-television and Telecommunications Commission (CRTC) mandated that emergency telecommunications networks must transition to a new digital 911 platform, referred to as Next Generation 911 (NG911), by March 4th, 2025.
- The 911 infrastructure in Ontario is provided by Bell Canada.
- The Niagara Region is responsible for the provision of 911 services for all local area municipalities (LAM). This service is provided under a Service Performance Agreement with the Niagara Regional Police Services to act as the Primary Public Safety Answering Point (PPSAP).
- The Niagara Region will be responsible for the administration of the new system in collaboration with the Niagara Regional Police Services as the contracted service provider.
- St. Catharines Fire and Niagara Park Police have committed to partnering with the Niagara Region on the NG911 initiative and are included in the contract. By collaborating and joining together, the aim is to avoid duplicating services and costs, maintain consistency in NG911 standards, and enhance interoperability and information sharing between PSAPs.

Financial Considerations

The total RFP negotiated contract price as submitted by Motorola Solutions for Niagara Region/NRPS, St. Catharines Fire and Niagara Parks is \$4,980,001 excluding HST as per Table 1 (budget impact is \$5,067,649 including 1.76% non-recoverable HST) for an NG911 Call Handling solution, ten (10) years of managed services and ten (10) years of maintenance and support.

Table 1 - The following table represents the contracted costs (excluding HST).

	Year 1 Capital	Year 2 - 10 Operating	Year 6 Capital	TOTAL
Niagara Police (Primary)	\$963,510	\$1,269,953	\$794,652	\$3,028,115
Niagara Police (Backup)	\$380,455	\$620,692	\$221,434	\$1,222,581
Total Niagara Police	\$1,343,965	\$1,890,645	\$1,016,087	\$4,250,698
St Catharines Fire	\$206,114	\$195,530	\$102,260	\$503,904

	Year 1 Capital	Year 2 - 10 Operating	Year 6 Capital	TOTAL
Niagara Parks Police	\$100,349	\$55,855	\$69,195	\$225,399
Total	\$1,650,428	\$2,142,030	\$1,187,542	\$4,980,001

St. Catharines Fire and Niagara Parks Police have committed to partnering with Niagara Region’s NG911 project. Their associated costs have been identified and will be recovered through a cost sharing/recovery model. They will be providing a total combined contribution of \$729,303 (with respective contributions of \$503,904 for St. Catharines Fire and \$225,399 for Niagara Parks Police).

Capital Budget Implications:

The existing capital budget of \$1.1 million was approved by Council through the 2019 and 2020 capital budgets. To award the purchase, the capital budget for the NG911 technology (Project #20000999) will be increased by \$0.58 million from \$1.1 million to \$1.68 million (Appendix 1 to Report CSD 47-2023). This adjustment falls within the authority limits delegated to the Regional Treasurer in the Budget Control By-Law.

\$0.02 million of the increase will be funded from the CVP, \$0.25 million transfer of Levy funding made available because of Provincial NG911 funding received in-year, and \$0.31 million funded through cost sharing arrangements with St. Catharines Fire and Niagara Parks Police. The CVP has been identified as a funding source to be able to move forward with the project until such time that year 2 provincial funding is confirmed as described below.

The Ontario Government is providing grant funding over three (3) years (April 1, 2022 – March 31, 2025) to support Public Safety Answering Points (PSAPs) in the province and to assist with their transition to the new NG911 emergency services communications system. This funding is available to support the capital portion of the project only. The Region applied for year-1 funding for the fiscal period of April 1, 2022 – March 31, 2023. Given the rollout of year-1 funding from the province was confirmed after the eligibility period had already lapsed, the Region had an opportunity that was limited to recovering eligible costs incurred in the year that were originally funded by the levy and claimed \$0.25 million through this process. Staff recommend transferring the \$0.25 million in levy dollars that were freed up as a result of this project funding.

The Region will apply for further grant funding for years 2 and 3. Confirmation of year 2 funding for Niagara should be received before the end of 2023 following the completion

of an application process running this fall. Staff will recommend that any incremental grant funding received as part of year-2 would be used to replenish the CVP draw of \$0.02 million outlined in this report and reduce the \$1.1 million in Region funding already approved and allocated to this project.

The purchase includes a capital renewal cost in year 6 of \$1.2 million for a refresh of the hardware. As described below, an annual transfer to NRPS capital reserve will be established to fund this cost, as well as future capital renewal requirements beyond year 6, without widening the Region's capital infrastructure gap.

Operating Budget Implications:

A requirement under the Niagara Region budget planning by-law and capital financing policy is that operating costs associated with new capital are budgeted in the year the project is approved to ensure all required funding is established.

This contract includes to 10 years of Managed Services and Hardware Support & Maintenance, with the first year included under warranty. Years 2 through 9 have a total cost of \$2.18 million (including non-refundable HST), or approximately \$0.24 million per year that needs to be established in the NRPS operating budget. Mitigating a portion of the incremental costs is \$0.05 million that will no longer be required for support and maintenance costs associated with the outgoing technology being replaced by NG911, as well as \$0.03 million to be recovered annually from St. Catharines Fire and Niagara Parks for their portion of the cost. This results in an incremental annual operating cost to the Niagara Regional Police Service of approximately \$0.16 million.

The Region's current asset management practice is to budget for a contribution to reserves in accordance with best practice in asset management to fund future lifecycle renewal costs, based on the useful life of the assets. As such, an annual transfer of \$0.2 million to NRPS capital reserve should be established in the operating budget for the lifecycle renewal of the NG911 Call Handling solution. This transfer would provide funding for the year 6 capital refresh commitment included in the contract without widening the Region's capital infrastructure funding gap.

Staff recommends referring the total incremental \$0.36 million operating budget requirement to the 2024 levy budget process to establish the necessary base funding. The levy impact of the operating requirement is approximately 0.08%.

Background

The existing 911 system has been in place for more than 30 years and has reached its end of life. It simply can't take advantage of new technologies that will bring greater speed, accuracy, and efficiency in the ability to route, process, and act upon requests for emergency assistance.

The Canadian Radio-television and Telecommunications Commission (CRTC) mandated that emergency telecommunications networks must transition to a new digital 911 platform, referred to as Next Generation 911 (NG911), by March 4th, 2025. Some of the future-state benefits of NG911 will be:

- Improved 911 caller location information – Resulting in fewer misrouted calls and faster response times.
- Improved community access to emergency services – 911 callers will be able to interact with 911 dispatchers via voice, text, and multimedia platforms. NG911 will also enable new services like language assistance/translation for non-native English speakers and help for the deaf and hard-of-hearing.
- Improved responder safety and awareness – New and emerging technologies in the NG 911 environment will provide emergency responders with access to information that will help them better understand what is happening at an incident location before units arrive on scene.
- Greater resiliency, interoperability, and response coordination – During a natural disaster, large-scale emergency, or other event that generates large call volume, NG911 can reroute calls when necessary, ensuring that all 911 calls are answered, even if one PSAP experiences an outage or call overload. NG911 also improves interoperability with other PSAPs and emergency responders, resulting in better response coordination.

The Niagara Region issued a Negotiated Request for Proposal (nRFP) “2022-RFP-187”, inviting interested and qualified prospective respondents to submit proposals for the Implementation of a Region-Wide NG911 Solution.

The intent of the nRFP is to:

1. Procure a new mission-critical Call Handling Functional Elements / Call Handling Solution that will replace the current E911 equipment.
2. Implement a new Region-wide, standards-based, integrated platform architecture NG911 solution that includes a managed services on-premises host/remote call-handling platform capable of handling all Niagara PSAPs operating in the Region.

Analysis

The NG911 project team, comprised of the Niagara Regional Police Service (NRPS), Niagara Region's Project Manager, and the consultant Federal Engineering (FE), with support from the Niagara Region's Procurement Department, completed a comprehensive review and evaluation of the nRFP proposal submissions. The review and evaluation processes followed the submission requirement criteria outlined in the nRFP document and consisted of 5 stages:

1. Mandatory Submission Requirements
2. Evaluation
 - a. Mandatory Technical Requirements
 - b. Non-Price Rated Criteria (Technical Proposal & Vendor Demonstration)
3. Pricing
4. Concurrent Negotiations and Best and Final Offer (BAFO)
5. Contract Negotiation Process

The nRFP was issued on February 6, 2023, and closed on April 21, 2023, which included a 6-week extension overall. Four (4) proposals were received. Proposals were required to meet the mandatory requirements in order to proceed to the evaluation phase and all four (4) met the requirement. Respondents were then evaluated on the written technical proposal requiring a minimum evaluation score in order to proceed to a formal presentation. Three (3) respondents met the minimum threshold to proceed to vendor demonstrations. Following vendor demonstrations, pricing was opened for the three (3) respondents and all three (3) respondents entered into concurrent negotiations for Best and Final Offer. The top ranked respondent following the BAFO submission was Motorola Solutions Inc., who also was the lowest cost.

Alternatives Reviewed

There are no alternatives to the requirement to transition to NG911 as per the federal and provincial mandate. The nRFP was issued as per the terms of Purchasing By-law 02-2016.

Relationship to Council Strategic Priorities

- The NG911 initiative and the consolidation of dispatch technologies, supports Council Strategic Priorities of Effective Region by transforming service delivery in a way that is innovative, collaborative and fiscally-responsible through the delivery of quality, affordable and accessible emergency services.

Other Pertinent Reports

- CSD 1-2022 Location of Backup Next Generation 911 Dispatch
- Memorandum CSC-C 7-2022
- CSD 3-2021 Next Generation 911 (NG911) Update
- CSD 07-2014 Public Safety Dispatch Review
- PHD 02-2015 Emergency Services Dispatch Update
- Memorandum C8253 Supplementary to PHD 02-2015
- PHD-08 2015 Consolidated Emergency Services Dispatch

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Appendices

Appendix 1 NG911 Equipment Replacement Total Estimated Project Cost

CSD 47-2023 APPENDIX 1
Total Estimated Project Cost
NG911 Equipment Replacement - Year 1 Capital

	Council Approved Budget	Proposed Budget Increase	Revised Budget
	(A)	(B)	(C) = (A) + (B)
<u>Total Estimated Project Cost (20000999)*</u>			
(a) Contract (including 1.76% non-refundable HST)**	1,100,000	579,476	1,679,476
Total Estimated Project Cost	1,100,000	579,476	1,679,476

Project Funding Sources

Regional reserves & debt	(1,100,000)	-	(1,100,000)
Transfer from Operating Fund	-	(252,298)	(252,298)
Capital Variance Project - Levy	-	(15,321)	(15,321)
Cost Sharing - St. Catharines Fire	-	(209,742)	(209,742)
Cost Sharing - Niagara Parks Police	-	(102,115)	(102,115)
	(1,100,000)	(579,476)	(1,679,476)

*All costs include 1.76% non-refundable HST

** Year 1 Capital Component of NG911 Contract Award is equal to i) \$1,650,428 before tax; ii) \$1,679,476 including 1.76% non-refundable HST; iii) \$1,864,984 including 13% HST