



## Direct Award: Mobile Devices, Voice and Data Services

Item 10D

July 30, 2024

Board of Directors

**Report:** TCHC:2024-56

**To:** Board of Directors (the “Board”)

**From:** Building Investment, Finance and Audit Committee  
 (“BIFAC”)

**Date:** July 17, 2024

### **PURPOSE:**

The purpose of this report is to seek the BIFAC and Board’s approval to make an award and execute a contract on August 1, 2024 pursuant to the outcome of a Supply Ontario Procurement Tender Call #18677 for Mobile (including In-Building Wireless (IBW) Solutions), Paging, and Cellular IoT Devices and Services to OPS and non-OPS clients. The term of the agreement will be in line with the Supply Ontario Tender which is for a period of six (6) years, commencing August 1, 2024, with options in favor of Supply Ontario to extend the agreement on the same terms and conditions for up to two (2) additional terms of two (2) years each. The new contract will permit for the continued provision of mobile services for both Toronto Community Housing (“TCHC”) and Toronto Seniors Housing Corporation (“TSHC”) including but not limited to mobile airtime, data, equipment, cellular IoT devices and mobile device licensing as required.

BIFAC approval is required to proceed with this new contract as it exceeds the \$500,000 financial approval limit of Toronto Community Housing’s (“TCHC”) President and CEO and the award does not arise from a competitive procurement call led by TCHC, and Board approval is required as it exceeds the financial approval limit of the BIFAC.

**RECOMMENDATIONS:**

It is recommended that the Board approve the following recommendations to:

- 1) Approve an upset limit as identified in the Confidential Attachment 1 for an award for mobile airtime, data, equipment, cellular IoT devices and mobile device licensing required to maintain critical services for a term of six (6) years, commencing August 1, 2024, with options in favor of TCHC to extend the agreement on the same terms and conditions for up to two (2) additional terms of two (2) years each;
- 2) Authorize the President and Chief Executive Officer to award a contract based on the final selection of vendors by Supply Ontario pursuant to Tender Call #18677 as outlined in the Confidential Attachment 1 to this report, subject to the value of the award and resulting commitment not exceeding the upset limit identified in recommendation 1;
- 3) Authorize the Vice President, Information Technology Services to take such further actions, and to execute any and all agreements and documents, as may be necessary, to give effect to the above recommendations; and
- 4) Direct that staff report back to the Board in Q4 on the details of the contract award made pursuant to the authority granted under this report.

**REASONS FOR RECOMMENDATIONS:**

Toronto Community Housing and TSHC require mobile airtime and data services to operate effectively as a business. In December 2019, TCHC leveraged the outcome of the Ministry of Government and Consumer Services' ("MGCS") (now known as Supply Ontario) RFP OSS-00415819 for Paging and Mobile Devices and Services to obtain very favorable pricing for this critical business service. TCHC entered into a contract with Rogers Communications Canada Inc. ("Rogers").

In late 2023, Supply Ontario advised TCHC that the co-operative agreement OSS-00415819 for Paging and Mobile Devices and Services was originally set to expire on January 31, 2024, but would be extended to expire on July 31, 2024 while Supply Ontario is working on a new long-term procurement arrangement.

Supply Ontario is currently concluding a competitive procurement for Mobile (including In-Building Wireless (IBW) Solutions), Paging, and Cellular IoT Devices and Services for OPS and non-OPS clients—to replace the agreement that is set to expire on July 31, 2024. TCHC provided its mobile airtime and data services requirements to Supply Ontario for inclusion in this competitive procurement. It is recommended that TCHC execute a vendor of record (“VOR”) agreement with Supply Ontario’s successful proponent for mobile airtime and data services for the new term starting August 1, 2024.

As of the date of this report, TCHC has not been advised by Supply Ontario of the successful proponent identified through Tender Call #18677. However, an announcement is imminent with a commitment from Supply Ontario that a new agreement will be in place starting August 1, 2024. To permit TCHC to make an award and enter into a contract effective August 1, 2024 to ensure continuity of critical services to both TCHC and TSHC, this report and recommendation has been brought forward.

## **PROCUREMENT PROCESS:**

TCHC has been investigating and taking greater advantage of co-operative purchasing to benefit from pricing achieved through bulk purchasing, including using buying groups and vendors of record (VORs).

Strategic Procurement Unit consulted Supply Ontario and confirmed TCHC’s status as an eligible entity authorized to participate as a member of its VOR arrangements. This VOR is open to various non-OPS entities. TCHC qualifies as a non-OPS entity for the purposes of this VOR for this type of specific service. The City of Toronto also currently participates in Supply Ontario VORs, as do a number of other public entities in the municipal public sector.

Pursuant to BIFAC:2023-113 (*Strategic Procurement Update: Co-Operative Purchasing*), on an interim basis, pending changes to the TCHC’s procurement governance procedures to more fully recognize and facilitate

co-operative purchasing, including using Supply Ontario VOR arrangements, co-operative purchasing should be approved as a direct award provided that it can be established that the purchase falls within one of the existing direct award categories.

This direct award is recommended under the following justification under Section 4.3(a) of TCHC’s Procurement Procedures:

- xiv. b) Total Cost of Ownership (TCO), of the purchase, including but not limited to increased productivity and efficiency, project site sequencing, staff labour savings, implementation, or usability benefits.

The Strategic Procurement team is confident that the procurement process used by Supply Ontario complies with the applicable trade treaty requirements for competitive tenders (e.g. time out to the market, adequate information provided to bidders, non-restrictive requirements, etc.), and that leveraging the VOR will yield equivalent or superior value for TCHC over other alternatives.

**IMPLICATIONS AND RISKS:**

ITS is currently in its final months of a 4-year agreement with Rogers ending July 31, 2024. ITS is required to maintain this critical service for both TCHC and TSHC and as such is seeking the necessary approvals from BIFAC.

Funding for this award is within the 2024 ITS operating budget. A portion of the costs will be recovered through the Shared Delivery Agreement with TSHC.

**SIGNATURE:**

*“Luisa Andrews”*

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Luisa Andrews  
Vice President, Information Technology Services

**Confidential  
Attachment 1:  
Reason for  
Confidential  
Attachment:**

Details of Award  
  
This document deals with matters that the Board is permitted consider in a closed meeting including but not limited to commercial and financial information

**Confidential  
Attachment 1:**

Details of Award

that belongs to TCHC and has monetary or potential monetary value.

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