



City of North Bay Report to Council

Report No: CORP-2022-093

Date: July 29, 2022

Originator: Mary-Ann Kotylak, CPPB, CPPO
Manager of Purchasing

Steven W. Melnichuk
Director, Information Systems

Business Unit:
Corporate Services

Department:
Financial Services Department

Subject: Request for Quote 2022-67 Upgrade to Internet Services and Transparent LAN Services

Closed Session: yes ☐ no ☒

Recommendation

That City Council approves the award of a contract to NorthernTel Limited Partnership (o/a Ontera) in the amount of \$498,480.00 (plus HST) for the provision of internet connectivity and private TLS (Transparent LAN Services) connectivity to various municipal locations for a period of five (5) years with an option in favour of the City to extend the agreement for an additional term of up to 5 years.

Background

The Corporation of the City of North Bay has a number of locations connected to City Hall via a Transparent LAN Service (TLS). This TLS service allows employees at the locations to access City Hall network and computer resources securely without the need to access the Internet. Some locations also have internet access secured via various firewalls and other layered security solutions.

The agreement for the City's current Internet and TLS service expired in 2021 and moved to a month-to-month based agreement. The internet and TLS connections were not upgraded during the life of the agreement (10 years), and do not meet current bandwidth requirements for the City's applications, websites, and other operations servicing the employees and citizens of the City of North Bay. In order to upgrade the City's services to meet current and future demand, a new agreement is required. The agreement will include new

connections from City Hall to the Water Treatment Plant, the Wastewater Treatment Plant, as well as provide public internet access to the Marina. The new agreement will also allow the City to request and install new connections to other City locations as needed, locked in at current or lower rates. The agreement will also allow the City to request speed and performance upgrades of current connections during the life of the agreement as required.

Financial/Legal Implications

A formal bid request, which closed July 18, 2022, was administered by the Purchasing Department and was publically advertised in accordance with the City's Purchasing By-Law 2013-200. Six quotes were evaluated by the Purchasing Manager and the Director, Information Services. The evaluation considered mandatory technical requirements and price.

The results are as follows:

Ranking	Company	Bid Price
1	NorthernTel Limited Partnership (o/a Ontera)	\$498,480.00
2	Sunwire Inc.	\$781,297.00
-	Vianet Inc.	*
-	Cogeco et Cogeco Communications inc.	*
-	Frontier Networks Inc.	*
-	4141903 Canada Inc. (o/a Storm Internet Services)	*

* Respondents marked with an asterisk failed to meet the mandatory submission requirements

The quote from NorthernTel Limited Partnership (o/a Ontera) was the lowest bid and provides the best overall value to the City. Their bid is considered fair and reasonable.

Funding for the services provided under this contract is managed within the operating budget of the Information Systems Department. Sufficient funding will continue to be requested in future years.

Corporate Strategic Plan

- | | |
|---|--|
| <input type="checkbox"/> Natural North and Near | <input type="checkbox"/> Economic Prosperity |
| <input checked="" type="checkbox"/> Affordable Balanced Growth | <input type="checkbox"/> Spirited Safe Community |
| <input checked="" type="checkbox"/> Responsible and Responsive Government | |

Specific Objectives

Provide smart, cost effective services and programs to residents and businesses.

Ensure the efficient and effective operations of the city, with particular consideration to the impact of decisions on the property tax rate.

Options Analysis

Option 1: That City Council approves the award of a contract to NorthernTel Limited Partnership (o/a Ontera) in the amount of \$498,480.00 (plus HST) for the provision of internet connectivity and private TLS (Transparent LAN Services) connectivity to various municipal locations for a period of five (5) years with an option in favour of the City to extend the agreement for an additional term of up to 5 years.

Option 2: Do not award a contract. This option is not recommended as the current connections are over-subscribed and are inadequate to handle current communication requirements.

Recommended Option

That City Council approves the award of a contract to NorthernTel Limited Partnership (o/a Ontera) in the amount of \$498,480.00 (plus HST) for the provision of internet connectivity and private TLS (Transparent LAN Services) connectivity to various municipal locations for a period of five (5) years with an option in favour of the City to extend the agreement for an additional term of up to 5 years.

Respectfully submitted,

Name: Mary-Ann Kotylak, CPPB, CPPO
Title: Manager of Purchasing

Name: Steven W. Melnichuk
Title: Director, Information Systems

We concur with this report and recommendation

Name: Margaret Karpenko, CPA, CMA
Title: Chief Financial Officer /Treasurer

Name: David Euler, P.Eng., PMP
Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Steven W. Melnichuk
Title: Director, Information Systems