



STAFF REPORT ACTION REQUIRED

11.

Supply of Wireless Service Solution – Award of Contract

Date:	June 24, 2013
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request Toronto Public Library Board approval to award the contract for the supply of wireless service, as per the Toronto Public Library's Request for Proposal (RFP) for Supply of Wireless Service Solution.

It is recommended that the contract for the supply of wireless service solution be awarded to Spyders Inc., having achieved the highest total score in the evaluation. The award is for the supply of wireless service solution, including hardware, software, installation, technical support, the ability to support authentication and communications and promotions targeted to Library customers, and the associated on-going maintenance costs. The award also includes the estimated cost of DSL carrier services (the current network connection from the branch to the Internet) during the transition from separate branch network connections for wireless to the Library's fiber network.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. awards the contract to Spyders Inc. for the supply of wireless service solution, including hardware, software, installation, technical support, the ability to support authentication and communications and promotions targeted to Library customers, and the associated on-going maintenance costs and the estimated cost of DSL carrier services, for a three-year term beginning September 30, 2013, at a cost of \$706,704 [excluding Harmonized Sales Tax (HST)]; and
2. authorizes staff to negotiate with Spyders Inc. to add or delete services, add or replace hardware and software, resulting from operational needs, subject to budget availability and within the authorization of the City Librarian; and
3. authorizes and directs Library staff to take the necessary action to give effect thereto.

FINANCIAL IMPACT

The three-year cost for the wireless service solution contract based on requirements in the RFP is \$706,704. This cost includes maintenance and technical support costs of \$119,668 annually for a three-year total of \$359,004 for 98 branches; one-time costs in the first year of \$35,700 to implement authentication; and the cost for DSL carrier services provided by Spyders Inc. during the transition to the Library's fiber network carrier in the first two years. Based on current schedules for the fiber network implementation, the cost for DSL carrier services will not exceed \$312,000 over the two years.

The costs for wireless service are funded from the Library's operating budget. The award will result in a reduction in annual wireless service costs estimated at \$125,000 - \$140,000 in 2014. This estimate includes allowances for the cost of adding wireless service at Fort York and Scarborough Civic Centre branches in 2014.

The Director, Finance & Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

The Board, at its September 17, 2007 meeting, approved the award of contract to Spyders Inc. for the supply of wireless service for public Internet access. The Board, at its September 20, 2010 meeting authorized the extension of the contract to September 30, 2013 at the same terms and conditions of the existing contract.

ISSUE BACKGROUND

In response to public demand, the Library introduced wireless Internet access at the Toronto Reference Library in December 2006. By the end of 2009 all branches had wireless access, partially funded by Citizenship and Immigration Canada and the Ministry of Culture. Wireless Internet access is extremely popular with Library users. The service is easy to access and the 1-800 support line for public users has been effective in reducing the call on front-line Library staff to answer technical questions. The demand for wireless access reflects the rapid rise in the use of personal wireless devices such as tablets and smart phones.

COMMENTS

The Library's strategic plan includes the goal "to animate Library branches with inspired architecture and design, wired work spaces and audience-focused zones that accommodate collaborative work, co-creation and independent study". The provision of wireless Internet access is a key service and assists in achieving that goal. The strategic plan initiatives also recognized the importance of improving our understanding of Library usage, including the introduction of new approaches to capture Library use such as wireless Internet access. As well, the Board strategic plan includes the implementation of new revenue models, including wireless advertising and/or sponsorship.

Wireless service requirements

The scope of the request for proposal (RFP) for the supply of wireless service was developed to include requirements that would support the Board's strategic goals.

Functional requirements included:

- Provision of wireless Internet service at all Library locations, with flexibility for hours of coverage:
 - 1-800 technical support;
 - Customized logon screens and user consent screens for TPL;
 - Customized pages for communications and promotions targeted to Library customers;
 - Web-based reporting tools for Library staff use;
 - Customer authentication options that would improve the understanding of Library usage and promote the value of Library registration.

Other requirements:

- Support/maintenance for the existing hardware and software;
- Provision of DSL carrier (network connection to the Internet) for wireless and support for the changeover from DSL to the Library's fiber network, which will improve wireless bandwidth, a direct benefit to users;
- The selected proponent will be the vendor of record for any additional requirements for hardware / software / maintenance and professional services for the term of the contract.

City of Toronto optional requirements for help desk functions and technical support for public wireless service at four city locations were included in the RFP. The City's optional requirements were not considered part of the evaluation. However, inclusion of the City's optional requirements allows the City to collaborate in the Library's procurement process, taking advantage of the Library's greater volume.

Procurement process and results

On May 8, 2013 the Library issued a RFP for the supply of wireless service solution, for a three-year term. The RFP closed on May 30, 2013 and two proposals were submitted. Both proponents met the mandatory requirements and were invited to interviews with the evaluation team. The evaluation of the proposals was based on the proponent's qualifications, functional and implementation requirements, maintenance and support requirements and pricing requirements, as detailed in the RFP. The proposal from Spyders Inc. achieved the highest total score in the evaluation and is the recommended proponent.

Cost analysis

The three-year cost for the wireless service solution contract, for a three-year term beginning September 30, 2013, is estimated at \$706,704. This cost includes estimated one-time costs in the first year of \$35,700 to implement authentication, three-year maintenance costs of \$359,004 and an estimated \$312,000 for DSL carrier services during the two-year transition to the Library's fiber network carrier. The cost estimate for DSL carrier services is based on the Library's timeline expectations for the transition to its fiber network. That timeline is based on the fiber network implementation schedule.

CONCLUSION

The Spyders Inc. wireless service solution provides the opportunity to achieve the Library's strategic and service goals and presents the opportunity for public Internet service enhancements and/or relief of budget pressures in 2014. It is recommended that the contract for wireless service solution be awarded to Spyders Inc.

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SIGNATURE

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