



## STAFF REPORT ACTION REQUIRED

12.

### Integrated Telecommunications Infrastructure Agreement – Approval to Purchase Services from Bell Canada

<b>Date:</b>	March 1, 2011
<b>To:</b>	Toronto Public Library Board
<b>From:</b>	City Librarian

#### **SUMMARY**

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To obtain Toronto Public Library Board approval to purchase telecommunications services for a five-year term from Bell Canada, under the Integrated Telecommunications Infrastructure (ITI) Agreement #1-61-671731 between the City of Toronto and Bell Canada dated October 1, 2010.

Agencies, boards, commissions and corporations (ABCs) who sign the form of Member Agreement attached to the ITI Agreement are entitled to participate in the Agreement.

The services currently being provided by Bell Canada that continue under the ITI Agreement are telephone services (Carrier Services – Centrex Service voice lines, Megalink Services and Long Distance) and the branch data network (WAN Services – Inter-Networking Service). New services will include Bell's voice messaging.

#### **RECOMMENDATIONS**

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**The City Librarian recommends that the Toronto Public Library Board:**

1. approves the purchase of telecommunications services, for a five-year term beginning April 2011, from Bell Canada under the Integrated Telecommunications Infrastructure Agreement #1-61-671731 between the City of Toronto and Bell Canada dated October 1, 2010, at an annual cost of approximately \$1,261,783 [excluding Harmonized Sales Tax (HST)] per year; and
2. authorizes staff to add, change or delete services resulting from operational needs, subject to budget availability and within the authorization of the City Librarian; and

3. authorizes and directs the appropriate Library staff to take the necessary action to give effect thereto.

## **Implementation Points**

There are no immediate changes to service required with the approval of the contract, with the exception of the planned move to Bell's digital voice messaging. A future decision on whether to proceed with unified communications (voice over Internet protocol technology or VoIP) would be reported to the Board.

## **FINANCIAL IMPACT**

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Based on current services and usage, and the voice messaging service, the annual costs for telephone and branch data network services will be approximately \$1,261,783 [excluding Harmonized Sales Tax (HST)] which is included in the operating budget.

<b>Service</b>	<b>Annual Cost</b>
Telephone (Carrier Service)	\$614,406
Branch data network (WAN – Ethernet Inter-Networking)	\$647,377
<b>Total</b>	<b>\$1,261,783</b>

The total cost for the five-year term is estimated at approximately \$6,308,915 [excluding Harmonized Sales Tax (HST)].

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

## **DECISION HISTORY**

### **Prior Agreements with Bell Canada**

The Toronto Public Library Board approved participation in the City of Toronto and Bell Canada Large Organization Centrex Service Agreement (for voice communication) at its January 19, 2004 meeting. The Toronto Public Library Board approved participation in the City of Toronto and Bell Canada Master Telecommunications Services Agreement (for data communication) at its May 10, 2004 meeting. Both approvals were for a five-year term.

City Council, at its December 2007 meeting, granted approval to extend the City of Toronto Telecommunications Infrastructure (COTTI) voice and data contracts with Bell Canada for an additional two years to January 14, 2011, and this included the Library. The Board was informed of the extension at its March 23, 2009 meeting.

## **New Agreement with Bell Canada**

The City of Toronto issued a Request for Proposal in January 2009 for the acquisition of an Integrated Telecommunications Infrastructure (ITI) and related Services to deploy, operate and maintain the new Infrastructure for the City of Toronto. The City's Government Management Committee, at its meeting of January 13, 2010, selected Bell Canada as the Preferred Proponent. An independent Fairness Advisor confirmed that the procurement was conducted in a fair, open and transparent manner. The Master Agreement #1-61-671731 was signed on October 1, 2010.

At its December 13, 2010 meeting, the Board approved a further extension to March 31, 2011, to allow Library staff time to analyze the ITI Agreement and report to the Board.

## **ISSUE BACKGROUND**

The Library has benefited from participation with the City in its acquisition of telecommunications services for voice and data. The City, with the ABCs, has leveraged the volume of its business to achieve services at competitive costs. The ITI Agreement presents an opportunity for the Library to continue to benefit from such cooperative ventures.

Another important feature of the ITI Agreement is that it supports the evolution towards unified communications, using voice over Internet protocol (VoIP).

## **COMMENTS**

The full range of services offered by Bell Canada under the terms of the ITI Agreement can generally be described as:

- unified communications implementation (voice communication, integrated voice & email messaging and other services using voice over Internet protocol, known as VoIP);
- carrier services (Centrex, Megalink, long distance and other business telephone services);
- WAN services (network links and Internet service);
- Network cabling services (installation of network cabling within buildings).

## **Services to be used by the Library under the ITI Agreement**

The Library plans to use the following services:

### **Telephone (Carrier Services)**

**Centrex Service:** Bell's business telephone service, offering configuration from central office switches. The Library currently has 1618 Centrex lines. In addition, the Library makes use of automatic call distribution for Answerline and the IT Service Desk. The Library regularly adds, changes and deletes service, to meet operational requirements.

**Megalink Service:** Provides digital access between Library equipment and Bell's public switched telephone network. Used by the Library for telephone notification, telephone renewals and other public services.

**Long Distance:** Bell's long distance (outbound toll) service.

**Voice messaging:** The Library is planning to move from an in-house voice messaging system, which is "end of life" to Bell's digital voice messaging system.

### **Branch Data Network (WAN – Ethernet Inter-Networking)**

A service that provides connectivity between the Library branches and the central computing site. The Library currently has network connections between 99 locations and its computing site.

### **Future decisions and services not currently used by the Library**

Implementation of unified communications at the Library is not planned for 2011. Further analysis of the costs and benefits needs to be undertaken. The ITI Agreement does not stipulate a time frame or a requirement to undertake an implementation within the five-year term of the agreement.

The ITI Agreement includes the option to purchase Internet services. The Library has issued its own request for proposals for Internet service in the past. The current agreement ends in July 2012. The fast-changing and ever-increasing demand for Internet service means that it may continue to be in the Library's best interest to acquire Internet services through a separate process.

Cabling services are available from Bell Canada under the terms of the ITI Agreement. The Library's practice has been to obtain competitive bids for cabling requirements, as needed. Cabling requirements are determined by renovation and building projects and funded through operating and capital funding identified for those projects. The Library will continue to seek the most beneficial source for cabling services.

## **CONTACT**

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## **SIGNATURE**

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Jane Pyper  
City Librarian