



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: July 15, 2024

Report No: ES-022-24

Subject: Purchasing Various - July 15, 2024

Recommendation: THAT Council approve the budget amendments and related funding sources as outlined on Schedule A.

THAT the proposal award for a Small/Light Rescue Vehicle for Milton Fire and Rescue Services be awarded to Darch Fire Inc. in the total amount of \$327,500 (exclusive of HST), as outlined in Schedule B;

THAT the proposal award for Consulting Services for the Environmental Assessment for the Construction of Sixth Line (Highway 401 to Britannia Road) be awarded to CIMA Canada Inc. in the total amount of \$799,982 (exclusive of HST), as outlined in Schedule C;

THAT the delegated authority to award the tender for Equipment and Operators for Road Snow Removal for the Town's Winter Control Program for a five (5) year term in the estimated annual amount of \$1,100,000 (exclusive of HST) be approved, as outlined in Schedule D;

THAT the delegated authority to award the optional renewal term of five (5) years for the Winter Control Program also be approved as outlined in Schedule D;

THAT the contract increase for Residential and Non-Residential Needs Analysis Study to Watson & Associates Economists Ltd. in the amount of \$73,350 (exclusive of HST) be approved as outlined on Schedule E;

THAT the contract increase made under delegated authority for John Tonelli Sports Centre Parking Lot Improvements to Pacific Paving Limited in the amount of \$198,410 (exclusive of HST) be received, as outlined in Schedule F.



Report To: Council

THAT the contract renewal made under delegated authority for the Town's insurance policy portfolio and risk management services to Marsh Canada in the total amount of \$1,370,366 (exclusive of HST) be received, as outlined in Schedule G;

THAT the contract extension for Solacom Guardian Call Handling Solution to Halton Regional Police Service, in the amount of \$402,713 (exclusive of HST) be approved, as outlined on Schedule H;

THAT the Manager, Purchasing and Supply Chain Management be authorized to execute the contract(s), as outlined by the purchasing by-law, and the Mayor and the Town Clerk be authorized to sign any required paperwork.

EXECUTIVE SUMMARY

This report is being submitted to obtain Council's authorization on the item in the attached schedule. Requests are being made as per the guidelines outlined in the Purchasing By-law No. 061-2018.

REPORT

Background

Procurement of goods and services is governed by By-law No. 061-2018. Purchasing activity is undertaken in a manner that is intended to support the Town's mandate to provide effective, responsible government and efficiently deliver services to the residents of Milton.

Discussion

Information pertaining to the recommended purchasing awards is included on the corresponding Schedules (A to H) attached.

Included within this report is a recommendation to award a small/light rescue vehicle for Milton Fire and Rescue Services to Darch Fire Inc. in the total amount of \$327,500 (exclusive of HST) based on the result of a competitive request for proposal process. Similar authority is requested for the environment assessment related to the construction of Sixth Line (Highway 401 to Britannia Road) to CIMA Canada Inc. in the total amount of



Discussion

\$799,982 (exclusive of HST) following a competitive request for proposal process involving firms that are on the Town's roster.

There is a request for delegated authority to proceed with a tender award for equipment and operators for road snow removal for the Town's winter control program in the estimated annual amount of \$1,100,000 (exclusive of HST). The Tender is anticipated to close on July 16, 2024 and in order to prepare for the upcoming winter season, it is recommended to award the tender as soon as possible following the tender closing date. Staff will report back the final amount once pricing has been confirmed through the request for tender process.

Also, there is a request for a contract increase to the residential and non-residential needs analysis study to Watson & Associates Economists Ltd. in the amount of \$73,350 (exclusive of HST). This amount includes the cost estimate to prepare a Housing Needs Assessment Report that meets all of the Federal Government's criteria, which is a requirement for both the Housing Accelerator Fund as well as the Canada Community Building Fund. Approval for a contract extension with the Halton Regional Police Service (HRPS) for future upgrades, support and cyber security monitoring is also requested in relation to the future call handling solution. This extension allows the Town to remain aligned with the HRPS's own solution and contract terms, and provides stability in this critical service area.

Finally, staff are reporting back to council on the utilization of several delegations of authority. The first relates to a contract increase to Pacific Paving Limited in the amount of \$198,410 (exclusive of HST) for the John Tonelli Sports Centre Parking Lot Improvements. The additional cost stemmed from unforeseen issues in the parking lot sub-base that required additional stabilization measures. The timely issuance of the related change order was required to keep the project on track and in order to ensure the works could be completed prior to summer camps. The second relates to the delegated authority that was provided to staff through ES-018-24 for the renewal of the Town's insurance policy and risk management services. The Town renewed its primary policies for a one-year period beginning on July 1, 2024 with Marsh Canada in an amount of \$1,370,366 (excluding taxes and fees). A review of pricing of various deductible levels resulted in an adjustment to the property policy whereby the deductible was increased to \$250,000. All other deductibles remained consistent with the prior year. Overall the premiums paid by the Town increased by an average of 16% relative to the most recent 12 month period.



Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through G, and include result in a net increase in the capital program of \$138,703.

Once fully annualized, the renewal of the insurance policies will result in a 4.4% budget pressure relative to the existing approved budget for the Town. This amount will be considered in the development of the 2025 Budget.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer

For questions, please contact: Sharon Telfer, Manager, Purchasing and Supply Chain Management Phone: Ext. 2138
Shirley Xie, Supervisor, Financial Reporting Phone: Ext. 2472

Attachments

- Schedule A – Reserve and Reserve Fund Transfers
- Schedule B – Proposal award Rescue Vehicle for Milton Fire and Rescue Services
- Schedule C – Proposal award Consulting Services for the construction of Sixth Line
- Schedule D – Delegated authority to award Road Snow Removal for Winter Control
- Schedule E – Contract increase for Residential & Non-Residential Needs Analysis Study
- Schedule F – Reporting back delegated authority for the John Tonelli Sports Centre Parking Lot Improvements
- Schedule G – Reporting back delegated authority for the Town's insurance policy portfolio and risk management services
- Schedule H – Contract increase for Solacom Guardian Call Handling Solution (NG911)

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer



Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Summary of Changes in Capital Project Budgets and Funding

Schedule	C	E	Total Change in Funding Sources Increase / (Decrease)
Project Number	C34006624	C90010323	
Project Description	Sixth Line (Hwy 401 to Britannia)	Res/Non-Res Take Up/Land Needs Study	
Total Approved Project Budget	\$ 959,703	\$ 253,003	
Recommended Budget Change			
Project Variance Account	2,563	(162,811)	(160,248)
Development Charges:			
Roads DC	61,499		61,499
External Funding Sources:			
Federal Grants/ Subsidies		237,452	237,452
Total Increase/(Decrease) in Funding	64,062	74,641	\$ 138,703
Total Revised Project Budget	\$ 1,023,765	\$ 327,644	

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
PROPOSAL AWARD**

Project Award	Proposal Award No. 24-549 for a Small/Light Rescue Vehicle for Milton Fire and Rescue Services
Recommendation	Staff are recommending the award of the Request for Proposal for a Small/Light Rescue Vehicle for Milton Fire and Rescue Services to Darch Fire Inc. in the total amount of \$327,500.00 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for proposal awards over \$100,000.
Background information	The Town issued a Request for Proposal for the Small/Light Rescue Vehicle. An evaluation team with representation from Fire Services evaluated the proposals against the established criteria, and the proposal submission from Darch Fire Inc. was the highest ranking proposal selected for award.
Purchasing Section: Bid Award Information	
Date bid issued	May 7, 2024
Advertisements	Town of Milton website
Closing Date	May 31, 2024
# of Plan takers	Three (3)
Proposal Submissions received	Three (3) proposal submissions were received from the following companies: <ul style="list-style-type: none"> • Commercial Truck Equipment Corp. • Darch Fire Inc. • Dependable Truck & Tank Limited
Evaluation Criteria	The proposals were evaluated based on the following criteria: <ul style="list-style-type: none"> • Company Information and Service Ability Requirements • Specifications, Drawings and Photos • Warranty • Delivery Timeline • Proposal Costs
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C70012324-A0410-7110
Account Description	Rescue Truck Replacement
Project Total Budget	\$360,500
Contract Budget	\$350,000
Actual (Net of HST Rebate)	\$333,264
Variance (Note 2)	\$16,736 (F)
Funding Source	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: Staff is requesting that the favorable variance remain in the project for decals and other equipment.

COUNCIL AUTHORITY FOR CONTRACT AWARDS PROPOSAL AWARD

Project Award	Proposal Award No. 24-051-03 Consulting Services for the Environmental Assessment for the Construction of Sixth Line (Highway 401 to Britannia Road)
Recommendation	Staff is recommending the award of the proposal for Consulting Services for the Environmental Assessment for the Construction of Sixth Line (Highway 401 to Britannia Road) to CIMA Canada Inc. in the total amount of \$799,982 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for proposal awards over \$500,000.
Background information	<p>Through CORS-063-21 Council approved the award of CIMA Canada Inc. on the Professional Consulting Services Roster as per the terms of RFP 21-051. The hourly rates were established through the RFP process and the hours identified and the proposed staffing have been reviewed and validated by Purchasing and Community Services staff.</p> <p>This contract award is for Consulting Services for the Environmental Assessment for the Construction of Sixth Line (Highway 401 to Britannia Road).</p> <p>Request for proposal No. 24-051-03 was issued to the approved list of consulting firms on the professional consulting services roster for the Civil Engineering discipline. Two (2) submissions were received and evaluated against the evaluation criteria outlined in the RFP resulting in CIMA Canada Inc. being the highest scoring proponent.</p>
Purchasing Section: Bid Award Information	
Date bid issued	April 5, 2024
Advertisements	Town of Milton website
Closing Date	May 24, 2024
# of Plan takers	Two (2)
Proposal Submissions received	Two (2) proposals were received from the following companies: <ul style="list-style-type: none"> • CIMA Canada Inc. • WSP Canada Inc.
Evaluation Criteria	<p>The proposals were evaluated based on the following criteria:</p> <ul style="list-style-type: none"> • Schedule • Project Management • Project Risks and Approach to Project Methodology • Fee Proposal <p>Proposals were evaluated by Community Services Staff. Based on</p>

	the weighted final scoring for each proponent, the recommendation is that CIMA Canada Inc. be awarded this proposal as the highest scoring proponent.
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Financial Planning Section: Budget Impact (Note 1)	
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Account Number(s)	C34006624-A0611-7240
Account Description	Sixth Line (Hwy 401 to Britannia)
Project Total Budget	\$959,703
Contract Budget	\$750,000
Actual (Net of HST Rebate)	\$814,062
Variance	\$64,062 (U)
Funding Source	Development Charges/Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
DELEGATED AUTHORITY**

Project Award	Delegated Authority – Tender Award No. 24-063 for Equipment and Operators for Road Snow Removal for the Town's Winter Control Program
Recommendation	<p>Staff are recommending the delegated authority to award Tender No. 24-063 for Equipment and Operators for Road Snow Removal for the Town's Winter Control Program for a five (5) year term in the total estimated annual amount of \$1,100,000.00 (exclusive of HST). Staff will report the results back to Council for information.</p> <p>The total amount for the five-year contract is estimated to be \$5,700,000.00 (exclusive of HST), including annual CPI price adjustments as noted below.</p> <p>Staff are also requesting the delegated authority to award the optional renewal term through an internal staff award report, allowing the Town to renew the contract for one additional five (5) year period.</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.
Background information	<p>The Town of Milton requires contracted equipment and operators to provide winter maintenance on both Town and Regional roads (as part of the Regional Maintenance Agreement). These contracts supplement the services provided by Town staff.</p> <p>The Town issued Tender No. 24-063 for Equipment and Operators for Road Snow Removal for the Town's Winter Control Program. The Tender is anticipated to close on July 16, 2024.</p> <p>The Tender is for a total of twenty-one (21) units of equipment consisting of tandem axle combination units, single axle combination units, loaders/tractors and graders. The contract may be awarded to multiple Contractors in order to achieve the total number of units required.</p> <p>The term of the contract will be for a five (5) year period, commencing upon award to April 30, 2029. The contract includes an optional renewal term, allowing the Town to renew the contract for one additional five (5) year period.</p> <p>The contract includes a combination of a standby rate and hourly call out rate for each equipment type. Hourly rates will be held firm for the first year of the contract, and the Town will adjust the Hourly Rate annually for years two (2) to five (5) of the contract</p>

Schedule D

	<p>term in accordance with the annual rate of change in the Consumer Price Index (CPI).</p> <p>The contract also includes a MTO fuel index calculation, which are reconciled monthly. The index is used by the Province and many municipalities to manage fluctuating fuel costs through the term of the contract. This ensures that the contractors don't carry the risk of volatility in fuel costs and the Town therefore benefits by not having to pay higher rates to cover the risk.</p> <p>The total estimated contract amount for all twenty-one (21) units of equipment is \$1,100,000 (exclusive of tax) for the 2024/2025 winter season. The cost to be incurred will be based on the actual call out hours required during the contract term. Potential future MTO fuel index changes have not been included in the estimate.</p> <p>The total estimated contract amount for the five year term is \$5,700,000, including an estimated CPI adjustment per year.</p> <p>In order to prepare for the upcoming winter season, it is recommended to award the tender as soon as possible following the tender closing date.</p>
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Financial Planning Section: Budget Impact (Note 1)		
Account Number(s)	0690-0690-3740	0969-0690-3740
Account Description	Winter Control	Region Winter Control
Contract Budget (Note 2)	\$203,976	\$135,984
Estimated Actual (Note 2)	\$201,412	\$134,274
Variance (Note 3)	\$2,564 (F)	\$1,710 (F)
Funding Source	Operating Budget	Regional Recovery (Note 4)

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Contract budget and estimated actual reflect the estimated amount for the remaining winter months for fiscal 2024. Costs associated with fiscal 2025 will be considered in the development of the 2025 budget.

Note 3: Contract actuals are an estimate only. Actual contract variance will be reported back after award.

Note 4: Winter maintenance costs for Regional Roads are recovered from the Region of Halton.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Contract Increase for the Residential and Non-Residential Needs Analysis Study (Proposal No. 23-559)
Recommendation	Staff is recommending approval to proceed with a contract increase to Watson & Associates Economists Ltd. for the Residential and Non-Residential Needs Analysis Study in the total amount of \$73,350 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through CORS-028-23, council approved the contract award for the Residential and Non-Residential Needs Analysis Study with Watson & Associates Economists Ltd. in the amount of \$159,995 (exclusive of HST), following the results of a competitive Request for Proposal process.</p> <p>The initial award included the first two phases of the study. Phase 1 included preparing forecasts to 2051 for a number of housing, employment and demographic factors. Phase 2 included the completion of Planning Act requirements for the assessment report for inclusionary zoning.</p> <p>\$25,050 (exclusive of HST) of the current contact increase relates to additional scope relating to Phase 1 of the Study including:</p> <ul style="list-style-type: none"> • Revisions to take into consideration updates to the draft of the new Provincial Policy Statement (PPS) that was released on April 10, 2024; • Refinement of growth allocations to smaller geographies to align with the Joint Best Planning Estimates policy areas; • Additional meetings between Staff and the consultant to discuss and refine the findings and recommendations; and • Presentation of the findings by the consultant. <p>Separately, a need was identified to add a third phase to the project in order to complete the remaining elements of a Housing Needs Assessment Report that satisfies the requirements of the Federal Government. The completion of such a report is a condition of the Housing Accelerator Fund and the Canada Community-Building Fund, both of which the Town of Milton is a party to. As such, \$48,300 (exclusive of HST) is related to this work, which includes:</p> <ul style="list-style-type: none"> • Preparing a socioeconomic, demographic and household profile analysis. • Undertaking an existing Housing Supply and Needs analysis inclusive of market and non-market housing availability. • Summarizing current programming that supports affordable

Schedule E

	<p>housing.</p> <ul style="list-style-type: none"> • Undertaking stakeholder engagement to give a full picture of housing needs in Milton. <p>Staff have reviewed and validated the rates used are consistent with the original contract awarded through CORS-028-23, as well as the work plan associated with the additional scope. The new contract total will be \$233,345 (exclusive of HST).</p>
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Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C90010323-N1810-7290
Account Description	Res/Non-Res Take Up/Land Needs Study
Project Total Budget	\$253,003
Contract Budget	\$0
Actual (Net of HST Rebate)	\$74,641
Variance	\$74,641(U)
Funding Source	Federal Grants/Subsidies (Note 2)

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: As the work associated with this contract is an initiative outlined in the Town's Housing Accelerator Fund (HAF) application and as previously presented to Council through ES-011-23, staff recommend that this and all external works associated with this project be refinanced with HAF funding as outlined on Schedule A.

REPORT TO COUNCIL FOR INFORMATION – CONTRACT INCREASE

Project Award	Reporting back to Council on the Delegated Authority to award the contract increase to Pacific Paving Limited in the amount of \$198,410 (exclusive of HST) for the John Tonelli Sports Centre Parking Lot Improvements.
Purpose of Report	As per Section 7.2.2 of the Purchasing By-law, a report to Council for information is required when the delegated authority provided in that section is utilized.
Background information	<p>Through PDA-032-24, following the completion of a competitive tender process, staff awarded John Tonelli Sports Centre – Parking Lot Improvements to Pacific Paving Limited in the amount of \$555,081.10 (exclusive of HST).</p> <p>Change orders in the amount \$17,871.65 (exclusive of HST) were issued to provide a new storm connection from the park to the arena's parking lot and to provide a new concrete pad for the arena's exterior garbage enclosure.</p> <p>A further contract increase in the amount of \$198,410 (exclusive of HST) was required. Due to unforeseen circumstances in the sub-base of the parking lot's northeast section, additional stabilization measures needed to be undertaken and a layer of filter-grid added for proper stabilization of the sub-base. The change order was required immediately in order to complete the project on-time and to re-open the parking lot in time for summer camps.</p> <p>The new contract total is \$771,362.75 (exclusive of HST).</p> <p>Staff processed PDA-067-24 utilizing Section 7.2.2 of the Purchasing By-law to award this contract increase to Pacific Paving Limited in the amount of \$198,410.00 (exclusive of HST) for the John Tonelli Sports Centre Parking Lot Improvements.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C58214724-A1634-7715
Account Description	John Tonelli Sports Centre Facility Improvements
Project Total Budget	\$1,203,354
Contract Budget	\$55,508
Actual	\$198,410
Variance (Note 2)	\$142,902 (U)
Funding Source	Federal Grants/Subsidies; Provincial Grants/Subsidies; Project Variance Account

Note 1: This project is eligible for input tax credits, therefore costs do not include HST.

Note 2: A required budget increase in an amount of \$142,902 was addressed through PDA-067-24 and therefore not included as part of Schedule A to this purchasing various report.

REPORT TO COUNCIL FOR INFORMATION – CONTRACT RENEWAL

Project Award Reporting back to Council on the Delegated Authority to award the contract renewal to Marsh Canada in the amount of \$1,370,366 (exclusive of taxes and fees) for the Town's insurance policy portfolio and risk management services.

Purpose of Report As per Schedule H to ES-018-24, a report to Council for information is required in relation to the use of the delegated authority that was provided.

Background information The RFP for Insurance and Risk Management Services was awarded to JLT Canada (now Marsh Canada) on CORS-061-16 for a three (3) year period (January 1, 2017-December 31, 2019). There was an option to renew for additional years. The contract has since been renewed with the most recent term ending June 30, 2024.

The following outlines the premiums over the contract period:

5 Year Total Premium Comparison (incl. taxes and fees)	
2017	\$728,785
2018	\$771,667
2019	\$796,109
2020	\$844,900
2021	\$806,681
2022	\$1,090,926
2023	\$1,327,195
2024 (6 months - January to June)	\$640,811

Included within the changes above is consideration for the growth of the community and the Town's assets and services, including the addition of new facilities (such as the Sherwood Community Centre) as well as additional lane kilometers of roadways that are either constructed or assumed. The decrease in premium for the 2021 term is as a result of the discontinuation of the Excess WSIB Insurance Policy as outlined in Report CORS-048-21. The results of the 2022 renewal process were outlined in report CORS-004-22.

Through ES-018-24, staff received delegated authority to renew the Town's insurance policy portfolio and risk management services contract with Marsh Canada in an amount to be determined through the renewal process.

The following table presents the changes in premium costs through the renewal process:

Policy Type	2023 Premiums	2024 Premiums	Difference
Municipal Liability	\$513,163	\$589,144	\$75,981
Municipal Liability Excess	\$64,272	\$66,544	\$2,272

Schedule G

Layer 1			
Municipal Liability Excess	\$25,959	\$27,257	\$1,298
Layer 2			
Property	\$281,668	\$380,148	\$98,480
Boiler & Machinery	\$12,953	\$16,260	\$3,307
Automobile	\$118,095	\$105,482	(\$12,613)
Cyber Liability	\$112,500	\$130,000	\$17,500
Crime	\$8,000	\$8,000	\$0
Crime Excess Layer	\$5,097	\$5,355	\$258
Facility Users Insurance / Low Risk Event	\$37,500	\$41,376	\$3,876
Councillors / Volunteer Fire Fighters Accident	\$8,059	\$7,931	(\$128)

Note 1: Policy comparison presented excludes PST, broker and other fees that are also included in the total cost to the Town. Total cost to the Town is presented below in the Budget Impact section.

Note 2: Policy periods presented are for July 1st to June 30th, except for Councillors/Volunteer Fire Fighters Accident policy which is applicable for January 1st to December 31st, and therefore renewed separately.

Based on the pricing received through the latest renewal, the overall premium cost to the Town has increased 16% from the prior year. The largest area of pressure was in relation to the property policy. Contributing factors included the Town’s claim with respect to the weather damage to the dome in 2023, the updated building valuations that were identified through the recent facility audit updates, along with market conditions. Through the renewal process, the Town has updated the deductible related to the properties policy from \$50,000 to \$250,000 in order to help manage the financial pressure and in recognition of the Town’s ability to self-insure within the deductible limit for this policy. Other pricing alternatives were received and assessed for other potential deductible changes, however based on that review the existing deductible levels were maintained in relation to the Town’s other policies.

With the Town’s coverage now in place through to June 30, 2025, Town staff will continue to assess alternatives for the subsequent periods. At this time, it is expected that a competitive request for proposal (RFP) process will be undertaken in early 2025. Staff will continue to assess the market through the remainder of 2024, and prepare the information that will be required to support an RFP process should that route be selected.

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	Various Departments – 3799
Account Description	Insurance
Project Total Budget	N/A

Contract Budget (note 2)	\$826,860
Actual (note 2)	\$766,661
Variance (Note 3)	\$60,199 (F)

Funding Source	2024 Operating Budget
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Note 1: Financial impact includes the applicable non-rebatable Ontario insurance tax of 8%.
 Note 2: Represents budget remaining for 2024, along with pro-rated cost for the remainder of 2024.
 Note 3: Savings are projected for 2024 based on the combination of costs from the prior contract period along with the renewal period. Going forward, the annualized cost of the renewal period of \$1,533,322 (inclusive of all taxes and fees) exceeds the budget of \$1,467,671 by 4.4%. This variance will be addressed through the 2025 Budget process.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT EXTENSION**

Project Award	Contract Extension for the purchase of a Solacom Guardian Call Handling Solution along with related hardware, software and services.
Recommendation	<p>Staff is recommending approval to proceed with a five-year contract extension to the Halton Regional Police Service in the total amount of \$402,713 (exclusive of HST) for future call handling solution system hardware upgrades and support and cyber security monitoring services beyond the term of the initial five-year contract.</p> <p>Staff are also recommending that delegated authority be provided to the Town's Fire Chief to approve change orders (if required) up to an aggregate value of 20% of the value of the award to the Halton Regional Police Service.</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Milton Fire Rescue Service (MFRS) is undergoing significant technological modernization to enhance its communication capabilities in order to continue to support the needs of a growing municipality and ensure Next Generation 911 (NG911) compliance by March 2025 as mandated by the Canadian Radio-television and Telecommunications Commission (CRTC).</p> <p>As the primary public safety answering point (PSAP) for Halton Region, all 911 emergency service calls in the Region route through the Halton Regional Police Service (HRPS) and are subsequently dispatched out to an appropriate secondary PSAP (ie. Fire, Ambulance) depending on the nature of the emergency service required. Halton Region (on behalf of HRPS) issued request for proposal NRFP-33-23 in August 2023 and successfully awarded a contract in February 2024 for Next Generation 911 (NG911) implementation, including a required Call Handling Solution (CHS) to Comtech-Solacom Technologies Inc. The contract established by the HRPS allows for the Town of Milton to acquire the specified goods and services under the same terms and conditions as provided to the HRPS.</p> <p>As approved in ES-014-24, the HRPS was awarded a total contract of \$550,181 (exclusive of HST) to permit Milton to procure and implement a cohosted call handling solution with the HRPS to ensure full alignment between agencies and enhance operational efficiencies. ES-014-24 covers the initial capital expenditure for the Town's CHS along with a five-year contract for support and cyber security monitoring services.</p>

Schedule H

Due to the critical importance of the CHS on the Town's ability to reliably answer 911 emergency calls, it's imperative that the Town take a long range approach to ensuring continued operation of this system beyond the initial five year period that has been established. In order to fully align with the current HRPS contract with Comtech-Solacom, the Town is opting to set terms and pricing now for a system hardware upgrade/refresh in Year 6 as well as extend the annual support and cyber security monitoring services through an additional 5 years (for a total contract of 10 years). This will ensure the Town has provisioned the necessary hardware, software and support services to operationalize a complete and robust CHS through to 2035. The total ten-year HRPS contract total will be \$952,894 (exclusive of HST). The Town will be invoiced the additional \$402,713 starting in Y6 as per the payment table below:

2030 (Y6)	\$154,993
2031 (Y7)	\$61,623
2032 (Y8)	\$61,820
2033 (Y9)	\$62,028
2034 (Y10)	\$62,249

In order to ensure sustained and efficient progress on NG911 implementation efforts in support of the March 2025 deadline, staff are also requesting that authority be delegated to the Town's Fire Chief to proceed with change orders (if required) up to an aggregate value of 20% of the new contract value.

Financial Planning Section: Budget Impact (Note 1)

This contract extension of \$409,801 to the Halton Regional Police Service will be considered in the budget forecast and future planning. Year 6 in the table above is a combination of capital and operating cost. Year 7 and onwards will be submitted as part of annual operating budgeting exercises.

Note 1: Financial impact includes any non-refundable portion of HST.