

Clause 13 in Report No. 18 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on November 19, 2015.

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Security Systems Agreement Amendment

Committee of the Whole recommends adoption of the following recommendations contained in the report dated September 16, 2015 from the Commissioner of Corporate Services:

1. Recommendations

It is recommended that:

1. Council approve the execution of the agreement with Honeywell Limited, as amended from the May 17, 2012 Council Report.
2. The Commissioner of Corporate Services be authorized to execute the agreement with Honeywell Limited, as amended, on behalf of the Region.

2. Purpose

The purpose of this report is to seek Council approval to execute an amended agreement with Honeywell and to update information contained in the May 17, 2012 report regarding Security Systems Procurement.

Upon Council approval the Region will execute a Purchase and Service agreement with Honeywell for the remainder of the five year term as per the recommendations previously adopted by Council.

3. Background

In late 2010, Council awarded Honeywell the contract for the supply of security systems that would later become the standard for all Regional facilities

The Region issued a Request for Proposal (RFP) for new security systems. The objectives of the RFP were to acquire, install and test alternative security access control and intrusion systems in two Regional facilities under development at that time.

The existing security systems were becoming obsolete and were no longer supported in terms of product or service by the manufacturer.

In May 2012, Council approved Honeywell as the Region's sole source provider of security systems for a term of five years with an option to extend for an additional five years

Following the successful installation and testing of this system in our facilities, Regional Council approved Honeywell as the Region's sole source provider of security systems for all Regional facilities for a term of five years, with an option to extend the term for an additional five years. The Commissioner of Corporate Services was authorized to execute the necessary price agreement with Honeywell.

The Region has been specifying and installing Honeywell security systems on new and large renovation projects throughout the Region. Since 2012, sixty-five facilities have been equipped with Honeywell security systems.

4. Analysis and Options

Negotiations with Honeywell resulted in a tentative cost agreement

In 2014, the Region finalized the details of the agreement with Honeywell. On an annual basis, product, service and maintenance costs would be increased by 2%. If applicable, fluctuating foreign exchange rates would apply to new product prices. The above replaces information provided to Council in 2012 which stated that for the five year term of the agreement, there would be no annual product cost increases and service and maintenance costs will increase based on the cost of living index.

To date the Region has been installing Honeywell security systems under individual Request for Quotations or Tenders. Between 2012 and 2014, Honeywell maintained product costs without change, in an effort to remain competitive. The cost of installations done since 2014 closely follows the tentative pricing agreement. Upon Council approval, the Purchase and Service agreement with Honeywell will be executed.

Link to key Council-approved plans

From Vision to Results: 2015 to 2019 Strategic Plan

Priority Area – Manage Environmentally Sustainable Growth
Strategic Objective – Optimizing Critical Infrastructure System Capacity

Priority Area – Provide Responsive and Efficient Public Service
Strategic Objective – Strengthen Organizational Capacity and Effectiveness

Vision 2051

Open and Responsive Governance
Fiscal Responsibility – Investing in infrastructure systems to ensure they remain in good state of repair

5. Financial Implications

The total value of Honeywell contracts for the five year term is expected to be \$8.1M. The cost impact, as a result of the product increases, is estimated to be \$66,000.

6. Local Municipal Impact

There is no Local Municipal Impact.

7. Conclusion

Adoption of the recommendation in this Report is being requested so that the Region can finalize the Purchase and Service agreement with Honeywell for the remaining term of the contract until 2017.

For more information on this report, please contact Michael Shatil, Director, Property Services Branch at Ext. 71684.

Security Systems Agreement Amendment

The Senior Management Group has reviewed this report.

September 16, 2015

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Accessible formats or communication supports are available upon request