
REPORT TITLE: Supply of Digital Subscriber Line (DSL) - Document 2022-581N

FROM: Gary Kent, CPA, CGA, ICD.D, Chief Financial Officer and Commissioner of Corporate Services

RECOMMENDATION

- 1. That a contract (Document 2022-581N) for Supply of Digital Subscriber Line (DSL) be awarded to Packet-Tel Corporation for one 12-month contract period from January 1, 2023 to December 31, 2023, in the estimated amount of \$50,000, (excluding applicable taxes), pursuant to Procurement By-law 30-2018, as amended; and**
- 2. That authority be granted to the Procurement Director to renew the contract annually for ongoing services, hardware, and support, and to increase the contract for any additional services, hardware and support for the lifecycle of the solution, subject to satisfactory performance, price, and approved budget.**

REPORT HIGHLIGHTS

- Digital subscriber Line (DSL) is used by the Region of Peel to provide high speed internet services and network connectivity to almost 200 Regional sites that are located remotely.
 - Packet-Tel Corporation has been the Vendor providing the DSL services since they were awarded the contract in 2008 through a competitive procurement process.
 - It took several years to complete the migration of services from the previous vendor to Packet-Tel Corporation.
 - The current contract with Packet-Tel Corporation expires on December 31, 2022, and Procurement Authority is required to continue the services.
 - There is a need for compatibility with the previously acquired DSL, in accordance with Procurement By-law 30-2018, as amended, Section 5.2.1.
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DISCUSSION

1. Background

The Region of Peel has been utilizing Digital Subscriber Line (DSL) to provide commercial high speed internet services through telephone lines, cables, modem, and wireless technology to various sites within Peel Region.

There are currently 50 DSL circuits in use at various Peel Region locations to provide network connectivity from locations that are remote or where it is cost prohibited to build Public Sector Network (PSN). PSN is the fibre optic network, owned by Region of Peel, Mississauga, Brampton and Caledon and provides connectivity to the majority of the Region's locations.

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In 2008, the services of Packet-Tel Corporation were obtained as the result of a competitive procurement process (Document 2008-596T). Based on the Region's past experience in migrating these services to a new vendor which took several years to complete due to the large amount of coordination required and the complexity of the process, the Region has been directly negotiating with the Vendor after the 2008 contract expired in 2011. Since then, Direct Negotiation approval was granted in 2011, 2016 and most recently in 2020.

The current contract with Packet-Tel Corporation expires on December 31, 2022, and Procurement Authority is required to continue the services. It is recommended that Packet-Tel Corporation be retained to continue providing DSL services due to the complexity, time-consuming and connectivity interruptions in migrating to a different vendor. Should the Region of Peel contract with a new vendor for DSL Internet Services, significant coordination would need to be repeated to convert almost 200 sites to a new service provider. IT Operations currently does not have enough resources to dedicate to the efforts required should there be migration to a new provider.

As the number of locations using DSL has decreased over the years, it is anticipated that it will continue to decrease due to the changes in requirements or opportunity to add PSN fibre is presented.

2. Procurement Process

This is a non-competitive procurement process and requires Regional Council approval in accordance with Procurement By-law 30-2018, as amended, Section 5.2.1 where there is a need for the previously acquired DSL to be compatible.

RISK CONSIDERATIONS

Without the requested contract extension, the current DSL services will be discontinued for approximately 200 Regional sites that rely on high-speed internet services and network connectivity.

FINANCIAL IMPLICATIONS

There are sufficient funds in the operating budget within cost centre: FI10030 to award the contract.



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