




P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada


Item No. 11.1.1
Halifax Regional Council
October 21, 2014

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original signed by 

Richard Butts, Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

DATE: September 29, 2014

SUBJECT: Request for Proposals – Public WiFi Service

ORIGIN

On February 11, 2014, Halifax Regional Council approved a recommendation by the Community Planning and Economic Development Standing Committee to endorse the Public Realm Improvement Project List and commit to a \$50M capital improvement campaign contingent on other levels of government funding. Free public WiFi was identified as one of the candidate projects.

(<http://www.halifax.ca/council/agendasc/documents/140211ca1121.PDF>).

LEGISLATIVE AUTHORITY

Halifax Charter Section 34 (4) states that “Council shall provide direction on the administration, plans, policies and programs of the Municipality to the Chief Administrative Officer.”

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the CAO to issue a solicitation for Request for Proposals (RFP) to select a service provider to partner with Halifax to provide a fully managed public WiFi service.

BACKGROUND

On February 11, 2014, Halifax Regional Council approved a recommendation by the Community Planning and Economic Advisory Standing Committee to endorse the Public Realm Improvement Project List and commit to a \$50M program contingent on other levels of government funding. Subsequently, staff began investigating one of the candidate projects; free public WiFi in the municipality's urban core.

Staff from Finance and Information, Communication & Technology (ICT) conducted an investigation and subsequently issued a non-binding Request for Information (# E14-069) on July 10, 2014 via the Nova Scotia Public Tenders web portal to gauge the interest and capabilities of service providers in the marketplace. The Request for Information closed on August 7, 2014 and received comprehensive and informative responses from interested parties.

Public WiFi has been identified as a significant opportunity to enhance the experience of residents and visitors. It will also support Halifax's growing reputation as an innovative, forward-thinking city, and encourage people to use and enjoy our public spaces.

A key aspect of the proposed WiFi initiative is identifying opportunities to collaborate among the public and private sectors. Halifax is continuing to identify, develop, and foster opportunities with several stakeholders, including but not limited to: the Waterfront Development Corp, Province of Nova Scotia; Nova Scotia Tourism Agency; Destination Halifax; Halifax Chamber of Commerce; Downtown Halifax Business Commission; Downtown Dartmouth Business Commission; Greater Halifax Partnership, Halifax Higher Education Partnership and King's Wharf.

The response to the RFI indicates there are engaged service providers in the marketplace who are interested in partnering with Halifax to deliver a public WiFi service. Given the diversity of the individual responses to the RFI, staff has recommended that a Request for Proposal (RFP) be issued to select a service provider to partner with Halifax to deliver this service.

DISCUSSION

Public WiFi is technology that supports wireless communication between devices. This technology has the power to transform a city through connecting devices, networks and people in real time. Public WiFi enables real-time access to information, internet services and global communications. Public WiFi is also a foundation to deliver smarter, connected city services in the future with solutions like smart parking and traffic systems.

Public WiFi is a service that can be viewed on a value spectrum, initially delivering basic, utilitarian access to the internet and then evolving to provide a more feature rich experience for the user and ultimately becoming a platform that drives innovation and economic development.

Ideally, the RFP will result in a service which allows the municipality to capitalize on public WiFi as a platform. This strategy is based on the following priorities:

- People first – providing a service and user experience that residents and visitors find valuable
- Building a smarter city – through more “connected” technologies supporting city services
- Minimizing cost to the tax payer

The RFP will seek a long term (5-10 years) partnership with a service provider who will provide a fully managed WiFi service. The service will utilize Halifax's fiber network. The service provider will be responsible to provide the connection to the internet but Halifax will, on behalf of the service partner, leverage its current contractual agreements if it is advantageous to do so. All WiFi hardware and software will be vendor owned, managed, and supported.

The service provider will have the opportunity to generate revenue to support the service and reduce municipal expenditure. This is commonly done through on-line advertising, digital signage, brand marketing, and collection and sale of analytics, all subject to guidelines HRM will establish.

Upon execution of a contract that is agreeable to both parties, the service provider would focus on an initial WiFi deployment to service the waterfront areas in both Dartmouth and Halifax which would support tourism objectives beginning summer 2015. The service provider would work with Halifax to develop a roadmap for a phased deployment to viable areas in the urban core. The 5 Year, \$50 Million Capital Improvement Campaign Community Planning and Economic Development Report presented to Council on January 23, 2014 defined the urban core as “the core business areas of Downtown Halifax and Dartmouth, including Spring Garden Road, Agricola, and Gottingen Streets, north to Young, Quinpool and Connaught and the areas encompassing Saint Mary’s, Dalhousie and King’s College universities”.

The goal is to provide the WiFi service with minimal cost to the taxpayer. The operational cost of Halifax’s role in service governance and service level monitoring would fall within the scope of existing roles and functions.

FINANCIAL IMPLICATIONS

The costs associated with issuing an RFP can be accommodated in the current FICT operating budget.

RFI respondents were asked to provide a rough order of costing based on the limited information provided in the RFI. The costing estimates include components for initial capital expenditures for infrastructure, installation, access to the internet, and ongoing operating costs.

Monthly operating costs would be dependent on fiber and internet connectivity availability, actual service traffic (concurrent users) and availability of internet connections in the target areas.

A managed service would present Halifax with a monthly operating cost which could be reduced by revenue generated by the service provider.

COMMUNITY ENGAGEMENT

Both the \$50M capital improvement campaign and the “Downtown...I’m In” report did extensive public consultation and community engagement and through both processes, public WiFi was identified as a key initiative viewed as important to the vitality of the urban core.

ENVIRONMENTAL IMPLICATIONS

A managed service includes the requirement for the service provider to manage the end of life disposal of assets utilized by public WiFi.

ALTERNATIVES

As an alternative, Council could direct staff to implement an in-house service delivery model. This is not recommended by staff as there are very capable service providers in the marketplace who have the expertise, capability and capacity necessary to provide this service. Further, delivering the service internally could yield higher costs as ICT would be responsible for all costs associated with the hardware, software and staff time required to implement and manage the service. In addition, this approach would leave ICT responsible for the recapitalization costs for the assets providing the service.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jim Kirk – Manager, Service Management & Operations, 902-237-9117

Report Approved by: _____
Donna Davis – Chief Information Officer, 902-490-4417

Report Approved by: _____
Greg Keefe, Director of Finance & ICT/CFO, 902-490-6308
