



Council Agenda Report

From: Meg Williamson, Assistant City Manager
David McCue, Information Technology Manager

Subject: Telephone System Upgrade

Date: November 7, 2017

Facts

1. The City purchased an Avaya telephone system in March of 2008 (FY08) for \$194,000 to provide service to 10 city facility locations. The system came with an estimated 10-year lifespan. The core of the Avaya telephone system was upgraded in April of 2015 (FY15) for \$27,000.
2. Since its initial purchase, through using in-house service resources and self-insuring (pay as you go) when there were equipment failures, the City avoided annual system warranty/maintenance of \$942 per month for over 120 months (a savings of approximately \$113,000).
3. The FY18 budget includes \$194,000 for the replacement of the telephone system purchased in FY08.
4. At this time, instead of replacing the entire system, the upgraded core can be leveraged for continued use by purchasing software updates and new desk phones. Replacing only the desk phone and updating software will extend the life of the system an estimated 7-10 years.
5. Staff was able to negotiate with Gsolutionz (the local Avaya partner) to obtain a discount of 55% off list price. The cost for the recommended phone system upgrade is approximately \$34,000. Gsolutionz will honor the quote through November 8, 2017.
6. Quotes from two other vendors were obtained, but they could only provide the desk phones and not the service to the core components.

Options

1. Take no action.
2. Authorize the City Manager to enter into an agreement with Gsolutionz for upgrade of the City's telephone system in the amount not to exceed \$34,000 (system quote plus sales tax).
3. Provide alternative direction as may be appropriate.

Analysis and Conclusions

Upgrading the core system software and replacing the desk phones will eliminate the need to completely rebuild the system and provide a reliable telephone system for 7-10 years at a great reduction in previously estimated cost.

Fiscal Impact

The project is well below the budgeted \$194,000 for the system upgrade, keeping the savings available within the Computer Equipment Replacement Fund for future replacement needs.

Recommendation

Authorize the City Manager to enter into an agreement with Gsolutionz for upgrade of the City's telephone system in the amount not to exceed \$34,000.

Attachments

1. Gsolutionz Quote – Avaya telephone system upgrade



Dave McCue, Information Technology Manager

9.21.17

AVAYA IP Office System(s) Upgrade Options:

Two separate quotes enclosed. One, due to AVAYA special bid request that was approved for the 9608G handsets (internet pricing pressures). If approval process needs to extend beyond 9.30.17, please let me know and we will on our end need to formally request with AVAYA channel management.

The other for the IP500V2 system software upgrades to Release 10.1 which we officially will release mid-October. This quote valid through 10.31.17

Requesting a technical/engineer discussion with you regarding additional integrations. I'll schedule once I can synch your schedule with Ryan Galvin's (chief technology manager).

Question: are you using any of your Office Worker licenses today? If not, we've will work with you/IT for setting one up, "train the trainer" concept for roll out.

Prepared by: Rudy Cuizon
805.540.7310 (direct line)
rudyc@gsolutionz.com

170 9608G Sets + 5 PoE Injectors

Qty	Description	Special Bid
42	IP PHONE 9608G GRY GLOBAL 4 PK	<input checked="" type="checkbox"/>
2	IP TELEPHONE 9608G GREY GIGABIT ETHERNET PRODUCT	<input checked="" type="checkbox"/>
5	GLOBAL SINGLE PORT POE INJECTOR 10/100/1000 FOR 96XX PHONES (REQUIRES C5 POWER CORD)	<input checked="" type="checkbox"/>
		Equip
		Install
AVAYA Special Bids Discounted subtotal:		\$26,769.56
	Shipping:	\$1,389.06
	State Tax:	+ applicable
Drop Ship Direct Total:		\$28,158.62

Terms: 50% down, 50% + sales tax invoiced upon delivery

Quote valid through 9/29/17 (Gsolutionz will need client authorization & order from AVAYA distribution by this date).

IPO Systems Upgrade to Release 10.1

Qty	Description
1	IP OFFICE R10 PREFERRED VOICEMAIL PRO MIGRATION UPGRADE LIC:DS
3	IP OFFICE R10 ESSENTIAL EDITION MIGRATION UPGRADE LIC:DS
15	Labor Rate - Remote
	Equip
	Install
	Totals:
	\$1,404.70
	Sub Total:
	\$3,303.53
	Gsolutionz Customer Discount:
	(\$351.18)
	Shipping:
	0.00
	State Tax:
	Plus applicable
	Project Total:
	\$3,303.53

Terms: 50% down, 50% + sales tax invoiced upon delivery/acceptance

Quote valid through 10.31.17