



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 27, 2017**

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT **WARDS: ALL**

SUBJECT: AWARD BID NO. 7480 FOR THE AVAYA SERVICE AGREEMENT TO CONVERGE ONE OF ONTARIO, CALIFORNIA, FOR THE TERM JUNE 1, 2017 THROUGH MAY 31, 2020, IN THE AMOUNT \$280,158.12

ISSUE:

Award Bid No. 7480 to Converge One of Ontario, California, for renewal of the Service Agreement for Avaya Voice over IP (VOIP) Phone system for the term June 1, 2017, through May 31, 2020, in the amount of \$280,158.12

RECOMMENDATIONS:

That the City Council:

1. Award Bid No. 7480 to Converge One for renewal of the Service Agreement for Avaya Voice over IP (VOIP) Phone system for the term June 1, 2017 through May 31, 2020, in the amount of \$280,158.12; and
2. Authorize the City Manager, or his designee, to execute the Service Agreement including making minor and non-substantive changes.

BACKGROUND:

In March 2012 the City Council approved purchase of the Avaya Voice over IP (VOIP) and Call Center solutions including a 5-year service agreement. The City chose a VoIP system to be able to utilize the City's existing wired computer network infrastructure and cabling thus allowing both phone and data capabilities over the same medium. This minimizes the need for additional cabling and other components. The VOIP system also provides call routing features that allow for better call flow options improving the customer call experience.

Initial Purchase

In January 2012 the City issued a Request for Proposal (RFP) for a VOIP phone solution to replace the City's aging Ericsson analog phone system. A committee of ten City employees selected the Avaya solution from eight different respondents to the RFP and City Council approved the purchase on March 27, 2012.

Service Agreement

The initial purchase of the system included a 5-year service agreement that provides the City with the capability to call for advanced assistance and support when the system is not working properly. The agreement also provides real time monitoring and notifications in the event of system failures or other reported issues. That initial agreement expires in June of 2017 and the City is seeking bids to renew the service agreement for another three years.

DISCUSSION:

On March 30, 2017, the City posted Bid No. 7480 for the renewal of the Service Agreement for Avaya VOIP Phone system for the term June 1, 2017, through May 31, 2020. The bid closed on April 17, 2017. The City received 3 bids and Converge One was deemed the lowest responsive bidder with an annual cost of \$93,386.04 per year, total contract amount of \$280,158.12

The Purchasing Services Manager concurs with the recommendations above.

FISCAL IMPACT:

The total fiscal impact of the action is \$280,158.12. The annual cost of \$93,386.04 is available in the fiscal year 2017/18 budget, Innovation and Technology Department Network Software Maintenance/Support account number 2405000-424310. The costs for additional years will be included in the respective future year budget requests.

Prepared by: Lea Deesing, Chief Innovation Officer
Certified as to
availability of funds: Scott G. Miller, PhD, Chief Financial Officer/City Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachment: Bid No. 7480 Award Recommendation