



Agenda Report

19-1607

Agenda Date: 2/19/2019

REPORT TO COUNCIL

SUBJECT

Action on an Agreement for Services with Packet Fusion, Inc. to provide Support and Maintenance on the City's Telephony System.

BACKGROUND

The Information Technology Department (ITD) maintains a 1,000+ end user telephone system serving all City locations. The Voice over Internet Protocol (VoIP) telephone platform for the City includes telephones, voice mail, automated call distribution, call recording capabilities and enhanced features for the utility billing enterprise contact center. The system requires regular software upgrades, support and warranty maintenance from a certified licensed telephony vendor.

DISCUSSION

On October 29, 2018, the City issued a Request for Proposals (RFP) to select a qualified firm to provide VoIP Telephony service, support and warranty maintenance for the citywide ShoreTel/Mitel equipment, licenses and system platform. Staff conducted industry research and did outreach to 6 firms that perform telephony services to notify them of the RFP, and two proposals were received by the proposal deadline from Packet Fusion Inc. and Xtelesis Corporation.

The proposals were evaluated and scored by an evaluation team consisting of ITD and Finance department staff. The proposals were evaluated based on the firm's qualifications and relevant experience; overall planned service responsiveness; quality and completeness of the proposal; and pricing competitiveness. Based on staff's evaluation of the proposals, Packet Fusion, Inc. is being recommended having submitted the best value proposal to provide the VoIP telephony service, support and warranty maintenance citywide. A five-year agreement is recommended to provide continuity and consistency of support, resulting in a cost savings of \$20,775 over the five-year term of the agreement.

The proposed agreement is for an estimated amount not to exceed \$326,670 inclusive of \$226,670 for basic support services and \$100,000 contingency costs for any future technology enhancements, replacement equipment, or additional licenses or services that may be required over the five year agreement term to accommodate the City's needs.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of a California Environmental Quality Act ("CEQA") pursuant to the CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

Funding for the current year of this agreement was included in the 2018/19 Operating Budget. Future years of this agreement will be included as part of the budget development process.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Authorize the City Manager to execute a five-year agreement for Telephone System Support and Maintenance Services with Packet Fusion, Inc. for a maximum compensation amount not-to-exceed \$326,670 and subject to the appropriation of funds over the five year term of the agreement.

Reviewed by: Gaurav Garg, Director/CIO, Information Technology Department

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Agreement for Services 2018 PFI