



City Council Report

Date: May 2, 2016
To: City Council
Through: Alex Deshuk, Chief Innovation Officer
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Purchases of Service Provider for SIP Based Telephone Trunks and Replacement Session Border Controllers for the Information Technology Department (Funded by the Information Technology operating budget and Life Cycle Program Budget) **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Purchase for a Service Provider for SIP Based Telephone Trunks and a Replace Session Border Controller as recommended.

The Information Technology Department and Purchasing recommend authorizing purchase for the service provider using the State of Arizona cooperative contract with Level 3 Communications at \$80,664.00 annually (\$6,772.00 monthly); and authorizing purchase for the replacement session border controllers with the lowest, responsive and responsible bidder, Network Computing Architects, Inc. at \$58,804.58, based on requirements. The combined total is \$139,468.58.

Background / Discussion

The Information Technology Department has planned to move the City's telephone trunk system from the older (since 1970) PRI methodology to new Session Initialization Protocol (SIP) technology that would improve resiliency. This modern method is designed like the Internet so it can re-route around failure points and reduce telephone outages for the City when our external telephone providers experience an outage. Mesa experienced such an outage in October of 2013 due to a water leak from an air conditioner at the service provider's office.

This purchase will provide telephone service for our City Phone system and our City Call Centers, including local phone numbers (480-644-xxxx), long distance service, and toll-free number service. The vendor will also provide Business Continuity Routing of phone calls for disaster recovery.

The recommended telephone service provider, Level 3, was selected based upon lowest overall cost, best service level agreement and highest confidence in their proposed solution from the 8 vendors on the Arizona State Procurement contract. There are only two companies in Arizona that can provide this service, and the City obtained quotes from both. Along with enhanced benefits, monthly service is expected to be \$6,722.00, which is a \$125.00 per month savings over our current solution.

In addition, the purchase of new hardware, Session Border Controllers (SBC's), is required to support this change/migrate to the SIP based telephone trunks. SBC's are gateway devices that connect the SIP telephone trunks to the City phone system. The new hardware will replace current gateway devices that has reached end of life.

Alternatives

Council may choose not to authorize the purchase and new responses will be solicited.

Fiscal Impact

The annual contract amount for the Service Provider for SIP Based Telephone Trunks is funded by the Information Technology Department operating budget.

The purchase for Session Border Controllers is funded by IT's Lifecycle Program budget.

Coordinated With

Information Technology and Purchasing

PURCHASING INFORMATION

Action: Award

Procurement Type: Use of Cooperative Agreement

Contracting Agency: State of Arizona

Contract Number: ADSP015-096675

Procurement Type: Request for Bids

Solicitation Number: 2016189

Vendors Registered: ProcureAZ (1,118) and Vendor Self Service (38)

Advertising: Arizona Republic, Bid Net, ProcureAZ and Purchasing Website

Downloads: 35

Responses: 7

Local Consideration: Not applicable as there were no Mesa responses.

Prices: Future price increases are capped by the Index - N/A

Pricing Available to Other Cooperative Agencies: Yes

March 23, 2016 Responses

Network Computing Architects, Inc. Bellevue, WA	\$55,686.16 (Recommended)
Arrow Systems Integration, Inc. Irving, TX	\$81,056.60
DLT Solutions, LLC Herndon, VA	\$81,604.35
Norstan Communications, Inc. Phoenix, AZ	\$82,405.00
Insight Public Sector Tempe, AZ	\$83,962.14
Intelli-Flex, Inc. Cypress, CA	\$94,896.91
Optivior Technologies, LLC Annapolis Junction, MD	\$96,307.54

AWARD RECOMMENDATION

Level 3 Communications Phoenix, CO

Description
Service Provider for SIP Based Telephone Trunks at <u>\$6,722.00 per month</u> per ADSPO15-096675 Terms and Conditions, Specifications and Pricing
Annual Contract Amount: <u>\$80,664.00</u>

Network Computing Architects, Inc. Bellevue, WA

Description	
Session Border Controllers Hardware, Software and Services per Contract No. 2016189 Terms and Conditions, Specifications and Pricing as offered	
GENBAND Q10 Solution Total	\$45,103.44
NCA Installation Services Total	\$8,000.00
NCA Project Management Total	\$1,875.00
Freight Total	<u>\$707.71</u>
Q10 Solution (Bid) Total	\$55,686.16
5.6% Sales Tax	<u>\$3,118.42</u>
Total	\$58,804.58

Combined Total: \$139,468.58