



CITY OF SAN MATEO

City Hall
330 W. 20th Avenue
San Mateo CA 94403
www.cityofsanmateo.org

Administrative Report

Agenda Number: 4., Status: Passed

File ID: 2018-905

TO: City Council

FROM: Larry A. Patterson, City Manager

PREPARED BY: Information Technology Department

MEETING DATE: Monday, January 07, 2019

SUBJECT:
Telephone System Updates - Purchase

RECOMMENDATION

Adopt a Resolution to award an agreement to CDW Government LLC for the purchase of replacement telephone system hardware and licensing in the amount of \$141,630.88, and professional installation services in the amount of \$68,461, for a total of \$210,091.88; and authorize the Director of Information Technology to execute the agreement.

BACKGROUND

San Mateo implemented a Cisco phone system in November 2008 to replace its previous phone system from NEC in a \$716,864 procurement. After ten years of continuous service, several key components now require replacement. These include multi-service routers, servers, and analog voice gateways along with current versions of the Cisco Call Manager support features like software telephones, unified communications, instant messaging, and smartphone integration.

Staff considered two alternatives to the proposed upgrade of the city-hosted telephone system; a total replacement telephone system or adopting a cloud-based telephone service. Both alternatives were determined to be necessarily more expensive, without providing demonstrable additional value. A total replacement fails to leverage systems the city currently owns - most notably the phones themselves. A cloud-based system fails to leverage the steep calling service discounts the city currently enjoys through the California Network and Telecommunications (CALNET) program, as well as failing to account for the roughly 200 analog telephone lines currently used for systems like intrusion alarms, credit card and facsimile machines.

An upgrade of the specific telephony components no longer supported by their manufacturer and a version upgrade of the Cisco Call Manager application will eliminate the operational risks of being out-of-support and enhance collaboration within the city organization and with residents.

Staff obtained the quotation for the proposed purchase through a purchasing cooperative known as the National Intergovernmental Purchasing Alliance (NIPA) contract, with the City of Mesa, Arizona as lead agency. NIPA contracts allow participants to pay less through competitively solicited, evaluated, and awarded contracts that leverage the cooperative buying power of local government agencies. CDW-G is a participating vendor under NIPA contract #2018011-01 and has been selected to supply the network hardware, configuration, installation, system testing and upgrades at NIPA contract prices. CDW-G was selected because of NIPA contract pricing, and the quality of its customer support and services.

Municipal Code section 3.60.070(h)(3) provides that the City may use any purchasing procedures approved by the City Council, if the City Council makes a finding concurrent with the award of the contract that the procedures are in the best interest of the City. Purchasing cooperatives are a form of “piggyback” contract, and expressly authorized in the City’s purchasing policy.

BUDGET IMPACT

Sufficient funds have been accrued and are available through the large capital replacement fund. Accrual funding for replacement of the telephone system equipment began in 2008 when the original hardware was procured. Staff recommends expending a portion of the accrued replacement monies on this procurement and accompanying professional services in the amount of \$210,091.88.

ENVIRONMENTAL DETERMINATION

Under section 15378(b)(2) of the CEQA guidelines, Council action on this item is not a project subject to CEQA review because the purchase of supplies is a continuing administrative activity.

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - Proposed Resolution

Att 2 - Project Proposal

STAFF CONTACT Steve Engle, Systems and Networks Manager
 sengle@cityofsanmateo.org
 (650)522-7062