

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Commander Robert Meisner

SUBJECT: Replacement of City Telephone System

DATE: August 20, 2015

City Council Goals

- To provide for effective and efficient delivery of City Services
- To design infrastructure and public facilities to be efficient, cost effective and to contribute to the cohesion and character of the community.
- To maintain and improve infrastructure.

Purpose

Upgrading the City's telephone system will enhance our ability to serve the citizens of Brisbane by maintaining a reliable system of basic communication.

Background

The city currently operates using a PBX telephone system that is in excess of 15 years old. It relies on a single outdated PC type computer located onsite with no backup should the system fail. Currently, we are experiencing periodic telephone outages within City Hall. Both AT&T and our system expert have been unable to locate the problem. Further exploration into the issue could prove costly.

Currently, city services outside of City Hall are not connected using the same telephone system. Citizens cannot call a central number to be connected to these departments: Fire, Corporation Yard, Marina, and Pool.

Basic administration of the current system, including physical station changes and programming, is being handled ad hoc by Albert and me. Issues outside our knowledge base are administered on an hour by hour basis by Premysis Technologies. The system relies on numerous phone lines supplied by AT&T at an annual cost of approx. \$10,800.00.

Discussion

Based on the above concerns, we contacted three vendors (Premysis Technologies, Kelso Communications, and Utility Telephone) regarding the replacement of the city's telephone system. All three recommended a hosted cloud based system that would primarily run over the city's new fiber internet connection. With a hosted system there are redundant servers that could be put into service in the event of an outage or disaster. With the exception of the handsets, there's no onsite equipment to maintain. Maintenance and administration of the system would be done completely by the vendor.

The other advantage is the ability to connect all city services into one system. Calls made to anyone within the city can be transferred or conferenced between departments as if we were located within the same building.

Being a cloud based system; there are numerous other features that are not available with a now outdated PBX type system. A couple of these include the ability to forward and receive calls on your mobile phone while appearing to be making and receiving calls from your workstation or any telephone that you wish and for web based call and voicemail management via your workstation or mobile device. Also, Outlook contact information can be loaded into your personal telephone directory making it easier to locate information and make calls. With these enhanced features we will be able to provide better service to the community we serve.

We did inquire about replacing our system with one similar to what we currently have. The quote was approx. \$60,000.00 for the equipment and about \$6,100.00 per year for maintenance. We would also continue to pay for all the current AT&T phone lines (\$10,800) for a total annual cost of \$16,900.00. This system would only serve the City Hall building. Other sites would continue to operate separately from City Hall. We would also have to continue to budget for a large capital expense every few years for system replacement. Not only is this type of system cost prohibitive over time, it is outdated and not recommended.

Vendor Selection

Pricing and system features between vendors were nearly identical. Therefore the decision relied heavily on system infrastructure and getting the most for our money from a customer service prospective.

The standout in these areas was Utility Telephone. Since they are an actual telephone/internet line provider, Utility Telephone is able to offer a clear path to the public telephone network without the use of other outside entities. In our opinion, this greatly enhances reliability and simplifies the efforts needed to resolve issues should a problem arise.

The City currently has a relationship with Utility Telephone as the City's new fiber optic internet service provider. As such, they already have an intimate knowledge of our system and infrastructure. Their customer service to the city has been impeccable and that partnership has continued as we walked through this process of understanding and selecting the best type of service for the City.

They have proven to be qualified to administer this project and we have full confidence that Utility Telephone is the right fit for the City of Brisbane.

Fiscal Impact

The cost of the system with a 5 year contract is \$30,246.00 per year which includes the leasing of the handsets, training, maintenance and 24/7 support. This does not include taxes, fees and surcharges which are estimated to be between 7%-10%.

We would be able to disconnect several AT&T phone lines at a savings of about \$10,500.00 per year, so the net increase cost of the system is approx. \$19,745.00 per year plus taxes. This does not factor in the savings of staff time by turning over the administration to Utility Telephone and the elimination of any hourly maintenance bills we currently incur.

Our initial assessment of the offsite facilities did not indicate any obvious obstacles in getting them connected with the exception of the Corporation yard. Connecting the Corp Yard may require enhancing their network connection for an additional cost of approx. \$100-\$200 per month. This cost could be offset by the elimination of additional unused phone lines that may be identified as we proceed through the project.

The cost of the new phone service was not included in the budget. Although, staff knew a new phone system was needed we had not done enough research to determine a budget number. Unfortunately throughout the months of May, June, and July the number and length of phone outages began increasing in frequency and length which pushed the need for a new system to a higher priority than originally thought. Therefore, the City Council needs to adopt a budget amendment of \$19,745 for the new system for fiscal year 2015/16. During the mid-year budget review staff will provide more information regarding if this can come out of revenues higher than anticipated or from Fund Balance.

Recommendations

Direct staff to enter into an agreement with Utility telephone to provide service to City Hall, Corporation Yard, Fire Station, Marina, and the Pool.

Measure of Success

The project will be deemed a success when there is a reliable telephone system in place that can maintains an up time greater than 99%.



Acting Department Head



City Manager