

Legislation Text

File #: 21-0012, **Version:** 1

Summary

To: Town Commission
From: Stefan Massol, Director of Support Services
Date: 1/19/2021

Subject:

Internet and Voice Services Method of Purchase

Summary:

Staff has received pricing and preliminary terms from multiple vendors and is requesting the ability to use an alternative selection process for internet and phone hardware and services.

Background/Problem Discussion: Last year staff was notified that the Town's Shoretel phone system is reaching end-of-life and would no longer be supported by Mitel, the new controlling company. In reviewing options we considered our current phone and internet services and opportunities for cost savings and improved resiliency. Currently, the Town contracts with Florida Department of Management Services (DMS) for phone service. This contract carries an annual cost of roughly \$9,400, and does not include any phone hardware. The Town also has a contract with Spectrum for broadband internet services with an annual cost of \$4,100.

The Town has experienced periods of outage in recent years for internet as well as phone service. In 2017, following Hurricane Irma, the Town lost internet services at its facilities over four days while power was taken down in the area. This past year the Town was without reliable phone services over multiple weeks when there was extensive damage to underground lines. The line was not properly repaired until three months after the initial outage. In the interest of improving the survivability of both voice and internet services staff recommends that the Town acquire a secondary internet connection and have phone traffic carried through fiber internet instead of a separate voice connection. This would allow the Town to continue using both its phone and internet services in the event that one of the two internet connections experiences an outage.

The Town has collected pricing and preliminary terms from Spectrum Enterprise, Frontier, DMS and Konica Minolta Business Solutions. Summarized pricing information is enclosed. Based on preliminary terms Town staff is requesting the ability to commence negotiations with the currently preferred vendor, Spectrum Enterprise, and should those negotiations be unsuccessful proceed to negotiate with Frontier. At the conclusion of negotiations staff will present the final agreements to Town Commission for approval.

Financial Implications: The Town would be paying roughly \$11,000 additional per year for phone equipment and services, as well as \$8,000 additional per year for fiber internet services. Meanwhile there would be savings of \$9,400, resulting in a net cost increase of \$10,000 per year. Considering that purchasing the phone equipment new would be an upfront cost of roughly \$50,000, this pay-as-you-go approach for the phones will ensure our equipment is always up-to-date.

Recommendation: Approval of proposed alternate purchasing method for voice and internet services as described above.

Proposed Motion: I move approval of proposed alternate purchasing method for voice and internet services as described above.