



WILDWOOD

Administration and Public Works Committee

June 6, 2023 Meeting

Review of Phone System RFP Submissions

Overview

The Department has provided an update on the City's recent Cloud-Based Phone System Request for Proposal (RFP). In this report, the Department will present the findings and provide a recommendation. The Department has also attached the RFP that was published on May 15, 2023.

It has come to the Department's attention that the City's current phone system is severely outdated and poses significant risks and limitations. The NEC UX5000 system, which is approximately 15 years old and manufacturer-discontinued, has shown signs of its age, particularly with the recent CPU failure. The system is no longer supported by NEC, and the City's phone system maintenance vendor, IT Voice, has only one spare CPU left in their inventory. Unfortunately, replacement CPUs are no longer available. Furthermore, the loss of voicemail to email licenses has impeded the City's ability to deliver important voicemail messages to council members via email. These challenges make the system increasingly difficult and costly to support.

Considering the potential failure of the current phone system and the associated risks, the City decided to publish an RFP for a cloud-based phone system as a more efficient and modern alternative. The RFP was made public on May 15, 2023, and the Department's submission deadline was June 2, 2023, at 4:00 pm.

Submissions

The City received a total of nine proposals from various vendors, each offering unique benefits and pricing structures. The Department has attached copies of each proposal to the Agenda. The Department has also provided proposal summaries below:

IT Voice

Setup Cost: \$0.00

Monthly Cost: \$1,005.19

Contract Duration: 5 years / 60 months

Nextiva

Setup Cost: \$601.43

Monthly Cost: \$897.50

Contract Duration: 3 years / 36 Months

Cadence Technology Services

Setup Cost: \$500.00

Monthly Cost: \$946.38

Contract Duration: 3 years / 36 Months

STL Communications

Setup Cost: N/A (*not provided in proposal*)

Monthly Cost: \$1,916.50

Contract Duration: 5 years / 60 months

C&C Group

Setup Cost: \$2,805.00

Monthly Cost: \$730.00

Contract Duration: 3 years / 36 months

Yellow Dog Networks, Inc.

Setup Cost: \$2,620.00

Monthly Cost: \$750.00

Contract Duration: 3 years / 36 months

Forerunner Technologies, Inc.

Setup Cost: \$4,781.76

Monthly Cost: \$1,355.18

Contract Duration: 1 year / 12 months

Secure Data Technologies, Inc.

Setup Cost: \$32,048.00

Monthly Cost: \$1,087.83

Contract Duration: 3 years / 36 months

Vertical Communications, Inc.

Setup Cost: \$8,448.00

Monthly Cost: \$573.81

Contract Duration: N/A (*not provided in proposal*)

Recommendation

After careful evaluation, the Department recommends moving forward with IT Voice's proposal. IT Voice, the City's current phone system maintenance vendor, has demonstrated a comprehensive understanding of our IT infrastructure and is willing to waive the installation, training, and equipment costs, significantly reducing the initial investment for the City. The proposed cloud-based system offers a wide range of features, including a web phone/web portal, mobile application, call recording, video capability, and voicemail to email functionality. Moreover, the new system will replace the existing Windstream circuit, resulting in monthly cost savings for the City of Wildwood. Additionally, the City will receive six extra users at no additional cost since IT Voice provides a discount for having more than 50 users. The City currently has 44 users.

Financially speaking, making the switch to the cloud-based phone system would lead to long-term savings for the City. Currently, the City spends \$700.00 per month to maintain the outdated phone system, in addition to paying Windstream \$1,063.12 per month for the actual phone service. This results in a total monthly cost of \$1,763.12. By adopting IT Voice's proposal, the City would only pay \$1,005.19 per month for the new system, resulting in monthly savings of \$757.93. If approved, the installation of a new switch would be required for the proper functioning of the cloud-based system. The cost for purchasing and installing this new switch is estimated to be \$1,433.71. Considering the substantial savings per month with the new phone system and the discontinued service from Windstream, this investment seems reasonable.

Conclusion

It is crucial for the City to upgrade its phone system as soon as possible. The Department recommends moving forward with IT Voice's proposal, which offers a feature-rich and cost-effective cloud-based phone system. By doing so, the City will address the current limitations and risks of the outdated system while realizing significant long-term cost savings. The Department recommends approving the necessary budget allocation and initiating the implementation process promptly. If approved by the Committee, this proposal will be presented to City Council for final approval.