



CONSENT CALENDAR

Agenda Item # 7

AGENDA REPORT SUMMARY

Meeting Date: August 22, 2017

Subject: Professional Services Agreement: RingCentral Office Plan

Prepared by: Andrew Tseng, IT Manager

Reviewed by: Sharif Etman, Administrative Services Director

Approved by: Chris Jordan, City Manager

Attachment(s): None

Initiated by:

Staff

Previous Council Consideration:

Not applicable

Fiscal Impact:

The Agreement includes the RingCentral Office Plan (monthly service) and one-time professional services for implementation and training. The agreement expenditures are not to exceed \$50,000 in FY 2017/18 and \$45,000 in FY 2018/19 and is included in the adopted budget.

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

Not applicable

Summary:

- The RingCentral phone system has features that meet the City's needs
- RingCentral is one of the leading cloud-PBX providers and has great call quality
- Monthly phone charges will remain the same or lower with more features and greater flexibility than the City's current phone system

Staff Recommendation:

Authorize the City Manager to execute an agreement with RingCentral for a cloud-based phone system



Subject: Professional Services Agreement: RingCentral Office Plan

Purpose

To replace and upgrade City's existing phone system and enter into a new purchase agreement with RingCentral

Background

The City of Los Altos has been using on-premise Mitel branded desk phones and PBX (private branch exchange) system for more than 10 years, and relying heavily on Advantel, the original Mitel system reseller which implemented the phone system for the City, for system maintenance. The phone system is outdated, difficult to manage and costly to maintain. In 2015, the Information Technology (IT) Division adopted the Cloud-First strategy recommended by the IT strategic roadmap report done by NexLevel Consulting Firm. As the City's IT infrastructure changes, the current phone system needs to evolve so that it can handle future growth and meet the City's increasing needs for mobility, software integration, online meeting and unified communication. RingCentral, a cloud-based PBX provider, has been identified as the desired phone solution for the City of Los Altos.

Discussion/Analysis

Since early 2016, the IT Division has been researching different PBX solutions including both on-premise and cloud-based PBX systems. Cloud-based PBX was preferred due to many reasons such as flexibility and mobility, ease of management, more features, and geo-redundancy of PBX datacenters. However, the City's internet speed and old cables were the two major concerns of using cloud-based phone system. In April 2017, IT completed the City's internet upgrade to dual fiber internet connections (AT&T and Comcast) and also initiated several projects to renew network cables for each building. The City is ready for not only cloud-based PBX service, but also prepared to choose other cloud-based services and solutions in the future.

The City previously paid between \$4,000 to \$4,500 per month for AT&T and Advantel services, for landline and voicemail services. With a similar or less monthly cost, the City will have more advanced phone features with the RingCentral Office Plan.

Options

- 1) Enter into the Purchase Agreement with RingCentral

Advantages: Modernize the City's phone system with more features at a reasonable cost and have more user friendly services for employees and ease of management for IT staff

Disadvantages: Monthly cost may be higher than other phone solutions

- 2) Direct staff to choose or research other cloud-based or on-premise PBX provider options



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Advantages: Potentially lower cost

Disadvantages: More time spent to research other options and other systems may not have the same capabilities, features or call quality

Recommendation

The staff recommends Option 1.