



## Memorandum

To: Members of Administration Committee  
From: Frank J. Miozzi, Director of Information Technology  
cc: David E. Weiss, Mayor  
Jeri E. Chaikin, Chief Administrative Officer  
Date: April 13, 2021  
Re: Telephone System Replacement

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The City's existing telephone system is an antiquated digital Private Branch Exchange (PBX) system, a private telephone network used within a company or organization. The City's system was last upgraded in 2004 with the construction of FS#1 on Chagrin Blvd. The system has more than exceeded its life expectancy and we have been attempting to move forward with replacement of the system. The following is a discussion of the process to date on which we are seeking the Committee's input.

This work began in 2019 prior to the current pandemic. The City engaged the services of Business Communications Specialists. This firm was hired to gather information from City Department Heads to define the scope and scale of the phone system replacement project, review existing equipment and present the city with recommended design, engineering and project cost estimates. This resulted in a Voice Platform Requirements document for the City's seven buildings and 325 telephones. The Chief Administrative Officer and I reviewed the requirements document and considered hiring a Communications consultant for preparation of bidding documents versus soliciting vendor proposals via existing Cooperative purchasing contracts based upon the Voice Platform Requirements document. Since technology solutions in this area involve vendor proprietary software, it was determined seeking proposals via Cooperative purchasing contracts would allow the City to leverage vendor contracts from varying manufacturers for competitive pricing and maximum design efficiency by allowing vendors to customize proposals based upon their solutions licensing and features.

We moved forward with seeking at least three proposals and were reviewing our first proposal when the pandemic began. Technology assignments relating to the pandemic resulted in the need to defer the telephone system replacement project for some time. In the second half of 2020, we were able to reach out to other vendors for additional proposals and now have three proposals. One proposal was based off of GSA contracts and two are based off of other cooperative purchasing contracts available to Ohio municipalities. Our purchasing ordinances will require that any award from the other cooperative purchasing contracts will require Council approval. We are presenting this item today to gauge the support for continuing to move forward with this project based on this process. The proposal that is recommended later in this document is based on a cooperative purchasing contract that the City has previously utilized.

The next steps in our process requires a more extensive audit of the onsite facilities. Each telephone set location must be identified and cabling/wiring requirements determined in order to identify the exact amount of networking equipment and services that will be needed. It is not feasible for City staff to conduct this level of analysis multiple times with the different vendors, so we are recommending proceeding with the vendor that provided the proposal believed at this time to be the best solution for the City. This site work will allow the vendor to prepare a “final” proposal for the City which can then be brought to the Mayor and Council for award.

Of the three proposals we received, the solution from Laketec is recommend due to its completeness, responsiveness to our needs, ability to deliver and system related costs. Laketec is an Information Technology company headquartered in northeast Ohio since 1989. They have presented the City with a proposal for a new onsite Avaya communications system. Their proposal was the most detailed and clear proposal received. Our project includes the requirement for managed voice system support services. Laketec provides this service as well and clearly details these services in their proposal. Finally, we did consider a fully-cloud based communications system. Cloud or fully-hosted solutions are user subscription based and significantly higher in cost when assessed over a 5 year period. Subscription based solutions do have advantages when the number of users varies significantly, when locations change frequently or when frequent feature modifications are necessary. These do not apply to our situation.

Certainly the virus pandemic has brought awareness to a number of additional configuration decisions, but these are provide for in the implementation services proposed. With the Committee’s support, we recommend moving forward with Laketec to complete a walk-through at each site to evaluate the location and/or need for a Controller, determine circuit and any requirements for local trunks, review cabling infrastructure in each building to support IP or Digital handsets, and obtain the required handset/user counts. Completing this task will allow Laketec to provide a firm equipment quote and associated detailed Scope-of-Work for the Professional Services included in the implementation of a new system for presentation to the Mayor, Council and Committees.

#### Budgetary Proposal Summary

Description		Meritech	Laketec	BCS
Solution Type		Hosted/Cloud	On-Prem	On-Prem
Contract Vehicle		TIPS Contract 180304	NCPA Contract #01-97	GSA Sched 70 GS-35F-0085u
Hardware Purchase		\$47,000	\$122,000	\$153,000
Initial Services (Config/Install/Train)		\$15,000	\$60,000	\$39,000
Hdwe/Software Maint or Subsc. - 5 Yr		\$398,000	\$13,000	\$67,500
MAC services - 5 Yr		\$72,000	\$31,000	Included
		\$532,000	\$226,000	\$259,500
Network Cabling		TBD	TBD	TBD
Network Equipment		TBD	TBD	TBD
Network Management/Svc		TBD	TBD	TBD
Current Maint+MACs Cost x 5 Yrs	\$69,000			
<b>NCPA (National Cooperative Purchasing Alliance)</b>	City of Shaker Heights Already A Member			
<b>TIPS (The Interlocal Purchasing Number)</b>	City of Shaker Heights Already A Member			
<b>GSA (Government Services Administration)</b>	Council Authorized Coop Purch Program			