

Agenda Report

June 13, 2022

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH NTT AMERICA, INC. TO PROVIDE MICROSOFT TEAMS PHONE SYSTEM AND GENESYS CLOUD CONTACT CENTER IMPLEMENTATION INCLUDING A DIALING PLAN WITH TECHNICAL SUPPORT IN AN AMOUNT NOT TO EXCEED \$1,880,965 FOR FIVE YEARS

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed contract is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3); and
2. Authorize the Interim City Manager to enter into a five-year contract, as a result of a competitive selection process, as specified by Section 4.08.047 of the Pasadena Municipal Code, with NTT America, Inc. to provide Microsoft Teams Phone System and Genesys Contact Center implementation including a dialing plan with 24/7 technical support for an amount not to exceed \$1,880,965 for five years, which includes a ten percent contingency on the base implementation cost only. Competitive Bidding is not required pursuant to the City Charter Section 1002(F), contracts for professional or unique services.

BACKGROUND:

The Department of Information Technology (DoIT) delivers voice services to employees at over forty-two locations within the City limits. Voice services are provided via various legacy telecommunication systems with multiple generations and types of telephone sets. The current systems have reached their manufacturer end-of-life and support status, and the current maintenance provider offers only best-effort maintenance and support, which can lead to extended down time if issues arise.

Given this current state, DoIT staff researched and reviewed various modern telephony offerings and options. Based on this review, DoIT implemented a Microsoft Teams Phone System solution as a proof of concept, leveraging the existing Microsoft Teams

platform, the City-owned fiber network, and existing vendor relationships to deliver Microsoft Teams Phone System services to over one-hundred City users working both on-site, as well as remote.

Microsoft Teams Phone System is Microsoft's phone service that allows staff the ability to make voice and video calls utilizing a computer, tablet, mobile device or desk phone. Staff will be able to place, receive, transfer, and forward calls, and the Teams Phone service is already integrated with the Teams platform that staff uses for virtual meetings and collaboration. Finally, with the Teams Phone service, staff will be able to make and receive calls from anywhere with an internet connection, which will improve both the City's disaster response and communication to the public.

Given this background, on January 11, 2022, staff prepared and posted a notice in the Pasadena Journal News and on Planet Bids, inviting vendors to submit responses to the Request for Proposals (RFP) for "Microsoft Teams Phone System Implementation." Following advertising, fifty-nine companies downloaded information about the RFP, five of which were local Pasadena businesses.

By the February 1, 2022 deadline, the City received a total of 3 proposals in response to the RFP. A panel of DoIT staff reviewed and scored each proposal and invited the vendors to provide an oral presentation on their proposed solution, and answer any questions from the evaluation panel. This oral presentation was factored into the final scoring of each proposal, which was based on the evaluation criteria in the RFP below:

Criteria	Weight
Proposed Solution	30%
Experience	30%
Cost Proposal	30%
Local Pasadena Business	5%
Small or Micro-Business	5%
Total	100%

Per the evaluation procedures and criteria stated in the RFP, the proposals were scored and ranked as follows:

Rank	Proposer	Location	Score (100 max)
1	NTT America, Inc.	Pleasanton, CA	82.52
2	Cloud Revolution LLC Corporation	Lafayette, CO	71.71
3	Communication Square LLC	Stuart, FL	68.71

Attachment A contains the scoring summary of each criterion for the proposals.

Based on the scoring above, staff recommends authorization to enter into a five-year contract with NTT America, Inc. for an amount not to exceed \$1,880,965. A breakdown of the five-year contract is as follows:

Base Implementation Amount	\$ 227,994.59
Dialing Plan & Maintenance (5 years)	\$1,630,171.00
Contingency Allowance (10%)	<u>\$ 22,799.41</u>
Contract "Not To Exceed" Amount	\$1,880,965.00

The contract with NTT America, Inc. will include the following services:

Implementation (one-time):

- Planning, design and deployment of Microsoft Teams Phone System
- Planning, design and deployment of Genesys Contact Center solution
- Administrator and user training

Annual Dialing Plan and Maintenance Coverage (5 years):

- Unlimited domestic calling with NTT calling plans through Teams Phone System Cloud Solution
- 24x7x365 customer service

NTT America, Inc. is one of Microsoft's select Operator Connect launch partners who can streamline the migration process and provide seamless, integrated Microsoft Teams calling using their high quality and reliable voice backbone. Implementation is expected to begin August 1, 2022, and the initial deployment will begin with 300 users with a planned migration to complete the transition for all necessary City staff within the five-year contract term. There are currently no open purchase orders or contracts with NTT America, Inc.

COUNCIL POLICY CONSIDERATION:

This proposed contract with NTT America, Inc. promotes the City Council's goal to improve, maintain and enhance public facilities and infrastructure; to provide a high quality of public service, which adds to the quality of life in the City and increases its attractiveness through more efficient management of resources.

ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from CEQA per section 15061(b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action will not result in any new development or physical changes.

FISCAL IMPACT:

The maximum cost of the proposed five-year contract is \$1,880,965. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Capital Improvement Program project #71165 (DoIT Equipment Lifecycle Replacement FY 2020 - FY 2024) for the one-time implementation cost and year one dialing and maintenance plan costs. Annual recurring costs thereafter will be addressed by future budgeted appropriations in the Department of Information Technology operating budget beginning in FY 2024. It is anticipated that \$291,497 will be spent in FY 2023, which includes one-time implementation costs and recurring costs on the initial deployment. The remaining amount will be spent over the rest of the contract term.

The following table presents an overall contract summary for the five-year period:

FY2023 Contract Amount	\$ 291,497
Future Contract Amount	\$1,589,468
Total Fiscal Impact	\$1,880,965

Respectfully submitted,



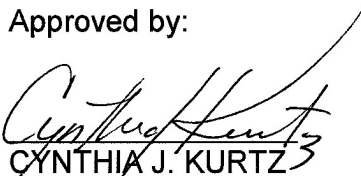
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Attachments:

- A) Summary of Proposal Scoring
- B) Taxpayer Protection Amendment