

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

_____ Resolution or Ordinance (Blue) _____ *Waiver of First Requested*
_____ Recommendations of Boards, Commissions & Committees (Green)
 X Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE: August 26, 2021 (B of T) September 16, 2021

TITLE: Request Waiver of Bid and Authorization to Execute a Five (5) Year Agreement with RingCentral, Inc. in the Amount of \$261,589 for Voice Over Internet Protocol (VoIP) Phone Services.

SUBMITTED BY: Timothy Sexton, Director of Finance

FISCAL IMPACT:

Amount of Award: \$82,454.52 for the first year (\$23,631 for Hardware, \$14,040 for Implementation, and \$44,783.52 Annual Service). Years 2-5 will cost \$44,783.52 annually. First year cost will come from Technology Reserve Hardware (640.840.840.73910). Each year thereafter will be budgeted from IT Computer Services Contracts (101.170.420.75710).

BACKGROUND/POLICY IMPLICATIONS:

The Village of Lombard's existing Cisco VoIP phone system was originally purchased in 2004. The replacement of the existing VoIP phone system came in well below the authorized \$140,000 in the 2021 Budget for the first year. The IT department accepted proposals from five different vendors. The IT staff evaluated the proposals based on cost, usability, ease of management, and the ability to meet a list of feature requirements. RingCentral, Inc. submitted the proposal judged to be in the best interest of the Village through a combination of price, product, usability, and feature requirements.

RECOMMENDATION:

Staff recommends the Village Board of Trustees approve a five (5) year agreement with RingCentral, Inc. in the amount of \$261,589, for Voice Over Internet Protocol (VoIP) Phone Services.

Review (as necessary):

Village Attorney X _____ Date _____
Finance Director X _____ Date _____
Village Manager X W. Niehaus _____ Date 9/18/21

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: Village President and Board of Trustees
Scott Niehaus, Village Manager

From: Tim Sexton, Director of Finance

Date: August 26, 2021

Subject: Request Waiver of Bid and Authorization of a Five (5) Year Agreement with RingCentral, Inc. in the Amount of \$261,589, for Voice Over Internet Protocol (VoIP) Phone Services.

The Village of Lombard utilizes a Voice Over Internet Protocol (VoIP) phone system for making and receiving phone calls. The current Cisco VoIP phone system has been in place since 2004 and is due for replacement. The current VoIP system is on premise, meaning that all phone servers are stored and maintained in the Village Hall server room. The proposed VoIP system will be VaaS (Voice As A Service) and will be hosted by the vendor and utilized over our Village Internet connection. This will eliminate the need to store and maintain any phone servers in any Village facilities.

The IT department accepted proposals from five different vendors. The IT staff evaluated the proposals based on cost, usability, ease of management, and the ability to meet a list of feature requirements. RingCentral, Inc. submitted the proposal judged to be in the best interest of the Village through a combination of price, product, usability, and feature requirements.

Vendor	Year 1 Cost	Annual Cost After Year 1
RingCentral	\$82,455	\$44,784
Access One	\$152,846	\$118,102
Fuze	\$84,765	\$47,227

Although annual costs for our phone system and the related features will increase by approximately \$11,000, having a VaaS for our phone system also eliminates maintaining, supporting, and spending more than \$30,000 every 5 years on hardware upgrades. IT staff will spend much less time configuring new/existing phones and users due to the ease of use of the new system from RingCentral, Inc. The new system will also create many communication efficiencies for our staff that we do not have with the current phone system.

Staff recommends the Village Board of Trustees approve a five (5) year agreement with RingCentral, Inc. in the amount of \$261,589, for Voice Over Internet Protocol (VoIP) Phone Services.



Kristopher Hoyt, Account Executive - Major Accounts, Public Sector
 Connect with me: 650-437-0064 | kris.hoyt@ringcentral.com

PRICE QUOTE

Presented to: Village of Lombard

September 8th, 2021

Service Price - 5 year annual pricing					
Description	Qty.	List Unit Price	Discounted Unit Price	RingCentral MONTHLY	RingCentral ANNUAL
RingCentral Office - Standard Licenses^ (Users & Fax)	149	\$27.99	\$11.48	\$1,710.52	\$20,526.24
VoIP Softphone, Mobile App, Team Messaging, RC Video, Audio Conferencing, SMS, Fax	149	Included	Included	Included	Included
Limited Voice Extensions (Lobby Phones)	85	\$14.99	\$7.48	\$635.80	\$7,629.60
Additional Local Number	336	\$4.99	\$0.99	\$332.64	\$3,991.68
Local & Long Distance for US & Canada	UNLIMITED	Included	Included	Included	Included
Compliance and Administrative Cost Recovery Fee	234	\$3.50	-	\$819.00	\$9,828.00
E-911	234	\$1.00	-	\$234.00	\$2,808.00
Federal Universal Service Fund - Calculated at invoice	-	-	-	-	\$0.00
RingCentral Office Grand Total	570			\$3,731.96	\$44,783.52

^Includes Premium tier features: Multisite Support, SSO/AD Integration, Automatic Call Recording, Custom Roles & Permissions

*Federal Universal Service Fund Fee (FUSF) charge varies. Quote is estimate. Calculated at time of invoice.

Invoicing begins immediately upon order and account activation

Tax exemption of State & Local taxes pending RingCentral approval of tax exempt certificate

Phone Hardware (one-time fee/purchase) 30% off List				
Description	Qty.	List Unit Price	Discounted	Total for Units
Yealink T48s	138	\$239.00	\$119.50	\$16,491.00
Yealink T48s w/ Expansion	28	\$339.00	\$169.50	\$4,746.00
Yealink T48s w/ 2 Expansions	2	\$439.00	\$219.50	\$439.00
Polycom ATA OBi VOIP Adapter	4	\$79.00	\$39.50	\$158.00
Polycom IP 5000	6	\$599.00	\$299.50	\$1,797.00
Soft phone (included with licensing)	0	-	-	-
Shipping & Handling of Phone Hardware (Ground)^	-	-	-	*will be added
Total for Phone Hardware	178			\$23,631.00

^Shipping & Handling quoted as an estimate. Subject to change based on Scope of Work

Professional Services REMOTE OPTION (one-time fee/purchase) - Estimate				
Description	Qty.	List Unit Price	Discounted Unit Price	Total for Units
Professional Services - REMOTE Project Management, Implementation, & Training*	234	-	\$60.00	\$14,040.00
Total for Professional Services REMOTE Implementation				\$14,040.00

*Subject to change based of final Scope of Work

PRICING VALID FOR 90 DAYS