

TAB 3



City of Palmetto Agenda Item

Meeting Date

12/13/10

Presenter: Jim Freeman

Department: City Hall

Title:

Purchase of new Phone System—City Wide

The City of Palmetto currently leases our phone system from Mitel for all voice related hardware throughout the City. There are actually 3 separate systems (City Hall, PW, Police) with separate end lease dates. The City needs to replace and update the phone system. In addition, we are planning to move to IP phones to upgrade technology, increase functionality and also save money in the process. By moving to one system, City employees will be able to perform soft transfers between all locations rather than having citizens hang up and redial the appropriate location (e.g., residents who call City Hall and want to talk to PW must hang up and redial).

The lease term for 2 of the 3 current phone systems has expired and we are on a month to month payment. This was done intentionally, as we were waiting to find a new solution rather than re-enter a new long term lease with the individual systems. The lease for the 3rd system is scheduled to expire in March, but the current vendor is working with us to terminate early since we are upgrading. The City and BI/IT met with 3 different vendors (Mitel, ShorTel, Cisco) during the selection process for a new system. In addition, site visits and presentations were made during the process. Staff is recommending purchasing the Mitel system via a capital lease as they were the most cost effective solution and they are also on GSA contract. The proposal is attached for your review.

The monthly lease cost which includes all maintenance, upgrades, etc, is \$1,579.37 per month versus a current budgeted cost of \$2,061.78. A savings of \$482.41 per month or \$5,788.92 per year. This capital lease is for 4 yrs and the City will own the system at the end of 4 years. This also includes a maintenance/warranty of 5 years.

The lease payments for the phone system have already been budgeted for the upcoming year. In fact, the lease payments for the new system will save the City money. There may be additional cost saving opportunities associated with the telephone lines that will be reconfigured as part of this upgrade. However, exact savings for the phone line savings are unknown at this time.

Budgeted Amount:	\$2,061/mo or \$24,732/yr	Budget Page No(s):	NA	Available Amount:	\$0.00	Expenditure Amount:	\$1,579.37/ mo. or \$18,952.44
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Additional Budgetary Information: The lease payments for a phone system have already been budgeted in the FY 2011 budget. The capital lease for this purchase is on the 12/13/10 agenda for approval.

Funding Source(s):	<input type="checkbox"/>	Sufficient Funds Available:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Budget Amendment Required:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Source:	<input type="checkbox"/>
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City Attorney Reviewed:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Advisory Board Recommendation:	<input type="checkbox"/> For <input type="checkbox"/> Against <input checked="" type="checkbox"/> N/A	Consistent With:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/>
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Potential Motion/Direction Requested: Motion to approve and authorize the City to purchase a new IP phone system for \$71,943.35 and finance the transaction with BBT via capital lease with a term of 4 years.

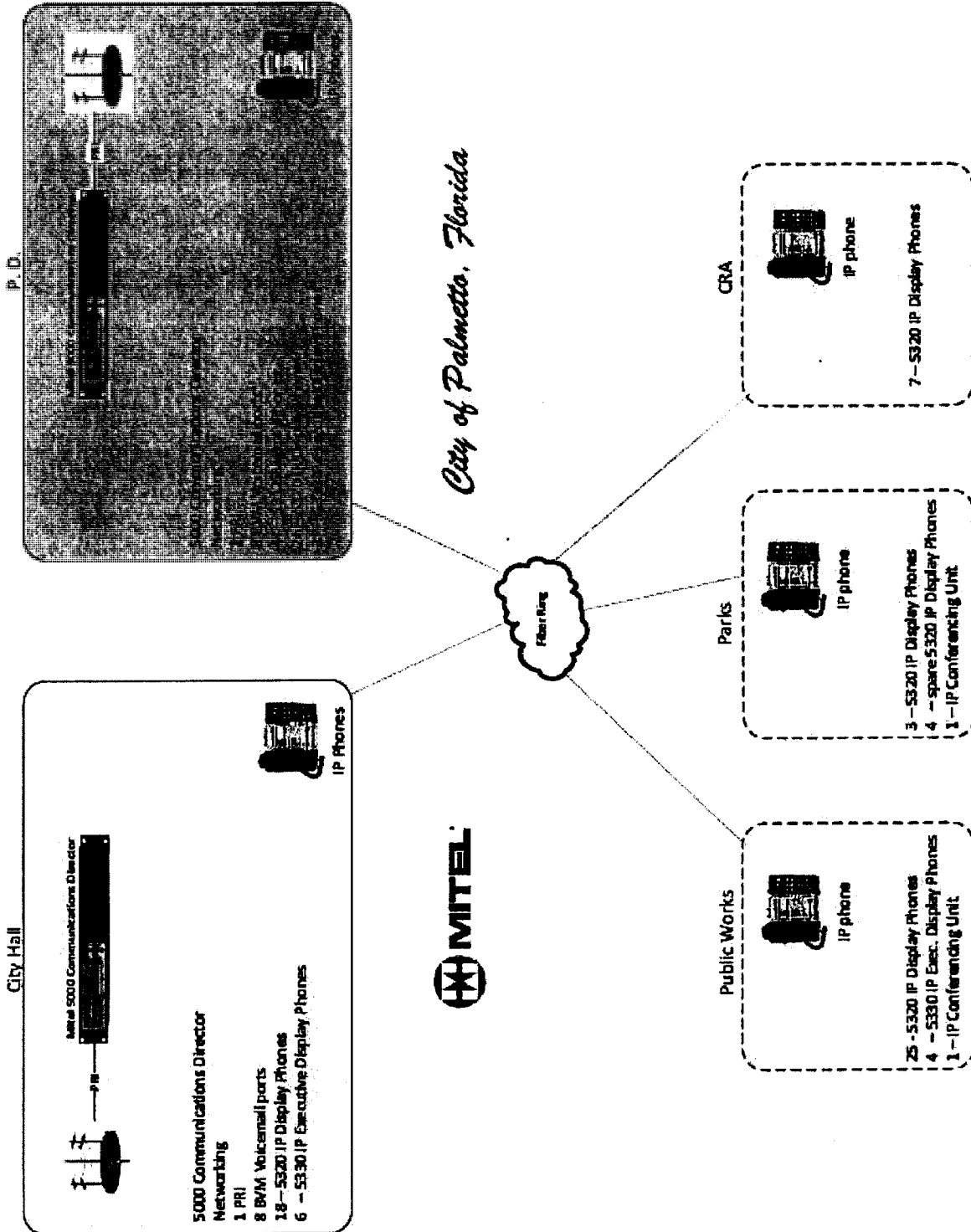
Staff Contact: Jim Freeman

Attachments: Mitel Bid and GSA Contract



Customer Proposal

Prepared by:	Kathy Riggio
Prepared for:	City of Palmetto
Revision Date	December 7, 2010
Quote Reference:	57994-1291475669 57994-1291475560





City of Palmetto City Hall SCHEDULE 1

Mitel 5000 Communications Platform rel. 4.0

Mitel 5000 Communications Platform - Base Packages, System Hardware

- 1 MITEL 5000 IP BASE KIT HX CONTROLLER
- 1 MT5000 Processor Expansion Card (PEC-1)
- 1 MT5000 Dual T1/E1/PRI (T1M-2) for CS/HX
- 1 LICENSE INTL5000 BVM 4 PORTS

Mitel 5000 Communications Platform - Software Licenses

- 1 MT5000 Lic IP Networking
- 48 MT5000 Lic IP Phone Category D

Desktop Devices - 5200/5300 IP Phones and Peripherals

- 15 48VDC ETNT PWR ADPT 100-240V W/Power Cord
- 2 IP Conference Saucer - Dark Grey
- 2 5310 IP CONFERENCE MODULE
- 1 CORDLESS HANDSET WITH MODULE
- 3 Cordless Headset & Module Bundle NA DECT
- 3 5340 IP PHONE W/GIGABIT STAND Bundle
- 51 5320 IP PHONE W/GIGABIT STAND Bundle
- 10 5330 IP PHONE W/GIGABIT STAND Bundle

Professional Services - Implementation

- 1 Implementation - 5000 & Axxess only

Additional Services

- 1 Software Assurance for 48 Additional Months
- 1 Prepaid Maintenance-Years 2-5

Installation Equipment

- 1 MOD 8POS T-1 SURGE S2 VRMS CLAMP SC
- 1 XTRA-CPCTY FLSH-MNTD WALL BRCKT 19

Other

- 1 Customer Provided POE Switches
- 1 Customer provide UPS

Approved and Accepted By:

Customer: _____

Date: _____

Mitel Representative: _____

Date: _____



City of Palmetto Police Department SCHEDULE 1

Mitel 5000 Communications Platform rel. 4.0

Mitel 5000 Communications Platform - Base Packages, System Hardware

- 1 MITEL 5000 IP BASE KIT HX CONTROLLER
- 1 MT5000 Dual T1/E1/PRI (T1M-2) for CS/HX

Mitel 5000 Communications Platform - Software Licenses

- 1 MT5000 Lic IP Networking
- 13 MT5000 Lic IP Phone Category D

Desktop Devices - 5200/5300 IP Phones and Peripherals

- 2 5340 IP PHONE W/GIGABIT STAND Bundle
- 26 5320 IP PHONE W/GIGABIT STAND Bundle
- 1 5330 IP PHONE W/GIGABIT STAND Bundle

Professional Services - Implementation

- 1 Implementation - 5000 & Axxess only

Additional Services

- 1 Software Assurance for 48 Additional Months
- 1 Prepaid Maintenance-Years 2-5

Installation Equipment

- 1 MOD 8POS T-1 SURGE S2 VRMS CLAMP SC
- 1 XTRA-CPCTY FLSH-MNTD WALL BRCKT 19

Other

- 1 Customer Provided POE Switches
- 1 Customer provide UPS

Approved and Accepted By:

Customer: _____

Date: _____

Mitel Representative: _____

Date: _____

Parts Report Customer: Line Item Pricing - City of Palmetto-City Hall

Currency USD
 Quote Ref 57994-1291475669
 User Reference City of Palmetto-City Hall

Part	Description	Qty	GSA Price	Ext. GSA Price
Mitel 5000 Communications Platform - Base Packages, System Hardware				
52002632	MITEL 5000 IP BASE KIT HX CONTROLLER	1	\$1,634.67	\$1,634.67
	1 - 580 1003 TEN ASSEMBLY HX CONTROLLER			
	1 - 580 3000 MT5000 HX Processor Mitel (HPM)			
	16 - 840 0416 MT5000 Lic IP Phone Category D			
	1 - 840 0844 MT5000 Lic Dyn Ext Expr SYSTEM			
	1 - 841 1128 SW MT 5000 V4 0 NA CD			
	1 - 50009271 PWR CRD C13 10A 125V - NA PLUG			
	1 - 580 9126 MT5000 HX Ctr Pwr Sup 120W 24VDC 5A			
	4 - 840 0411 LICENSE INTL5000 BVM SINGLE PT			
	1 - 841 1152 Mitel 5000 1024MB CF V4X+ NA SW			
	1 - 840 0227 MT5000 Lic Single PRI			
	1 - 999 9000 KIT SOFTWARE SITE LICENSE			
	1 - 840 0848 LIC MT 5000 SOFTWARE V4.0 [No Price]			
580.2020	MT5000 Processor Expansion Card (PEC-1)	1	655.65	655.65
590.2702	MT5000 Dual T1/E/PRI (T1M-2) for CS/HX	1	1,188.85	1,188.85
828.1752	KIT WALL MOUNT SCREEN EXTERNAL	1	18.19	18.19
Mitel 5000 Communications Platform - Software Licenses				
840.0224	MT5000 Lic IP Networking	1	1,188.85	1,188.85
840.0416	MT5000 Lic IP Phone Category D	48	83.22	3,994.56
Mitel 5000 Communications Platform - Voicemail, Enterprise Messaging				
840.0460	LICENSE INTL5000 BVM 4 PORTS	1	1,188.85	1,188.85
Desktop Devices - 5200/5300 IP Phones and Peripherals				
50004459	IP Conference Saucer - Dark Grey	2	297.21	594.42
50005901	48VDC ETNT PWR ADPT 100-240V	15	23.78	356.70
50005321	5310 IP CONFERENCE MODULE (5300 SER	2	89.16	178.32
50005711	CORDLESS HANDSET WITH MODULE NA	1	175.36	175.36
50005712	Cordless Headset & Module Bundle NA DECT	3	252.63	757.89
50006361	5340 IP PHONE WIGIGABIT STAND BUNDL	3	326.93	980.79
50006362	5320 IP PHONE WIGIGABIT STAND BUNDL	51	208.05	10,610.55
50006363	5330 IP PHONE WIGIGABIT STAND BUNDL	10	267.49	2,674.90
51005172	PWR CRD C7 2.5A 1.25V-NA PLUG	15	2.97	44.55
OEM - CommSource DataNet Equipment				
900.0507	MOD BPOS T-1 SURGE SZ VRMS CLAMP SC	1	35.67	35.67
901.0528	8 OUTLET STRIP 6 CORD 1RJ11 IN 2	1	16.64	16.64
903.6602	XTRA-CPCITY FLSH-MINTD WALL BRCKT 19	1	77.75	77.75
Professional Services - Implementation				
53000245	Implementation - 5000 & Access only	36	110.25	3,969.00
Professional Services - Project Management				
53000245	Project Coordination	4	97.50	441.00
Not Classified				
Note1	Customer Provided POE Switches	1	0.00	0.00
Note2	Customer provide UPS	1	0.00	0.00
Software Assurance				
SW_ASSUR	Software Assurance for 48 Additional Months	1	951.08	951.08
Equipment Total				31,734.24

→ GSA pricing

City of Palmetto Maintenance 12/29/10

GSA Maintenance Pricing						
	Standard Mitsa Price Year 2	Year 2	Year 3	Year 4	Year 5	TOTAL Years 2-5
Subtotal - City Hall B x 5 Maintenance	43,786.60	\$5,254.39	\$3,940.79	\$4,059.02	\$4,180.79	\$16,486.81

Grand Total
31,734.24
16,486.81
48,221.05

(A) Equipment for City Hall & PW

\$ 48,221.05



Lease Payoff

Public Works Payoff Lease Account Number 128636

3,280.48

Equipment Total
 Maintenance
 Grand Total

Parts Report Customer Line Item Pricing - City of Palmetto-Police Department

Currency USD
 Quote Ref 57994-1291475560
 User Reference City of Palmetto-Police Department

Company City of Palmetto
 Contact Jim Freeman

Invoice Address

Mitel 5000 Communications Platform Rel 4.0

Part	Description	Qty	GSA Price	Ext. GSA Price
Mitel 5000 Communications Platform - Base Packages, System Hardware				
52002632	MITEL 5000 IP BASE KIT HX CONTROLLER	1	1,634.67	1,634.67
	1 : 580 1003 TEN ASSEMBLY HX CONTROLLER			
	1 : 580 3000 MT5000 HX Processor Mdl (HPM)			
	1s : 840 0416 MT5000 Lic IP Phone Category D			
	1 : 840 0844 MT5000 Lic Dyn Ext Expr SYSTEM			
	1 : 841 1128 SW MT 5000 V4.0 NA CD			
	1 : 50006271 PWR CRD C13 10A 125V - NA PLUG			
	1 : 580 9126 MT5000 HX Ctl Pwr Sup 120W 24VDC 5A			
	4 : 840 0411 LICENSE INTL5000 BVM SINGLE PT			
	1 : 841 1152 Mitel 5000 1024MB CF V4X+ NA SW			
	1 840 0227 MT5000 Lic Single PRI			
	1 : 999 9000 KIT SOFTWARE SITE LICENSE			
	1 : 840 0848 LIC MT 5000 SOFTWARE V4.0 [No Price]			
580.2702	MT5000 Dual T1/E1/PRI (T1M-2) for CS/HX	1	1,545.51	1,545.51
828.1752	KIT WALL MOUNT SCREEN EXTERNAL	1	18.19	18.19
Mitel 5000 Communications Platform - Software Licenses				
840.0224	MT5000 Lic IP Networking	1	1,188.85	1,188.85
840.0416	MT5000 Lic IP Phone Category D	13	83.22	1,081.86
50006361	5340 IP PHONE W/GIGABIT STAND BUNDL	2	326.93	653.86
50006362	5320 IP PHONE W/GIGABIT STAND BUNDL	26	208.05	5,409.30
50006363	5330 IP PHONE W/GIGABIT STAND BUNDL	1	267.49	267.49
OEM - CommSource DataNet Equipment				
900.0507	MOD 8POS T-1 SURGE S2 VRMS CLAMP SC	1	35.67	35.67
901.0528	8 OUTLET STRIP 6' CORD 1RJ11 IN 2	1	16.64	16.64
903.6602	XTRA-QPCTY FLSH-MNTD WALL BRCKT 19	1	77.75	77.75
Professional Services - Implementation				
53000245	Implementation - 5000 & Access only	29	110.25	3,197.25
Professional Services - Project Management				
53000245	Project Coordination	4	110.25	441.00
Not Classified				
Note1	Customer Provided POE Switches	1	0.00	0.00
Note2	Customer provide UPS	1	0.00	0.00
Software Assurance				
SW_ASSUR	Software Assurance for 48 Additional Months	1	951.08	951.08
Equipment Total				16,519.12

City of Palmetto Maintenance 12/23/10

	GSA Maintenance Pricing					TOTAL Years 2-5
	Standard Mice Price Year 2	Year 2	Year 3	Year 4	Year 5	
Subtotal - Police Dept 24 x 7 Maintenance	19,130.60	\$2,295.67	\$1,721.75	\$1,773.41	\$1,826.61	\$1,881.41
						\$7,203.18

Equipment Total	16,519.12
Maintenance	7,203.18
Grand Total	<u>23,722.30</u>

(B) Equipment for PD

\$ 23,722.30

CH + PW PD

(A) + (B) = Total Cost

\$ 48,221.05 + \$ 23,722.30 = \$ 71,943.35



U.S. General Services Administration

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

November 30, 2010

Ms. Michelle Whittington
Assistant Secretary
Mitel Business Systems, Inc.
7300 W. Boston Street
Chandler, AZ 85226

Dear GSA Schedule Contract Partner:

Congratulations on receiving your GSA Federal Supply Schedule contract. We have enclosed a copy of your commercial catalog and/or pricelist, as accepted by the Government, along with a copy of your Schedule contract number GS-35F-0095X, effective November 30, 2010, through November 29, 2015, for 132-8, STLOC, and RC - PURCHASE OF EQUIPMENT; 132-33, STLOC, and RC - PERPETUAL SOFTWARE LICENSE; 132-34, STLOC, and RC - MAINTENANCE OF SOFTWARE awarded under solicitation number FCIS-JB-980001-B.

The following clauses in your contract require your immediate attention:

- **I-FSS-600 – Contract Price Lists.** This clause provides instructions for preparing your paper and electronic GSA Schedule catalog pricelists, as well as instructions for printing and distributing paper pricelists.
- **General Services Administration Acquisition Regulation (GSAR) 552.238-71 – Submission and Distribution of Authorized FSS Schedule* Pricelists.** In accordance with this clause, you are required to submit your electronic catalog data for inclusion in GSA *Advantage!*®, our online shopping and ordering system. For instructions on submitting your data, log on to our Vendor Support Center (VSC) website at <http://vsc.gsa.gov> to download the latest version of the Schedule Input Program (SIP). If you prefer to use Electronic Data Interchange (EDI), the latest sample for the 832 Transaction Set can be found on the same website. You must submit your electronic catalog file to GSA *within six months* from the date of this contract award. Once submitted, your electronic catalog will appear on GSA *Advantage!*® (<https://www.gsaadvantage.gov/>). Additional information regarding the use of electronic commerce/electronic data interchange may be found by reviewing I-FSS-599 – Electronic Commerce.

*GSA Federal Supply Schedule

Note: Failure to submit your electronic catalog data within six months from date of contract award may result in cancellation of your contract.

- **GSAR 552.238-74 – Industrial Funding Fee and Sales Reporting.** This clause provides instructions for reporting sales electronically to the 72A website. You must contact the VSC immediately to register your contract information. This action may be done via telephone by calling (703) 605-9992, or electronically on the 72A website (<https://72a.gsa.gov>). The clause also provides instructions for remitting the Industrial Funding Fee (IFF) based upon your sales reports, as required by your contract.

Industrial Funding Fee (IFF) Payment. The fastest, easiest, and most accurate way to remit the IFF is by using one of our online payment options. To pay online, report sales as usual on the 72A sales reporting website (<https://72a.gsa.gov>), and then click on "Online IFF Payment" at the conclusion of the sales reporting session. You may use any major credit card or a direct debit from a bank account to make a payment. See https://72a.gsa.gov/online_iff.htm for more information on electronic payments.

If you are unable to pay electronically, the option to submit a paper check is still available. Please remember that if a payment is submitted for more than one contract and/or for multiple report periods, the portion of the payment to be allocated to each report period and each contract number **must be identified** on the check.

Instructions and Frequently Asked Questions (FAQs) regarding the IFF are available on the 72A sales reporting website. Please direct any questions regarding the identification or submission of the IFF to your Administrative Contracting Officer (ACO).

We look forward to developing a business partnership and a mutually satisfying relationship with you. Excellence in acquisition is a priority for GSA, and we provide a variety of training and marketing opportunities to ensure the proper use of GSA Schedule contracts. We strongly encourage you to review and consider the following when doing business with your Government customers:

- **Training**—GSA recognizes the need for quality training and offers the Center for Acquisition Excellence at www.gsa.gov/centerforacquisitionexcellence free of charge for customers, contractors, and the general public. We encourage you to make a difference and help your customers understand how to properly use the GSA Schedules Program by directing them to this free training website and/or including the following statement in your Schedule contract pricelist and publications: Free GSA Schedules training is available by accessing the Center for Acquisition Excellence at www.gsa.gov/centerforacquisitionexcellence.
- **Marketing**—GSA occasionally hosts or participates in industry supply and service expositions or other marketing activities that may be of interest to you. To receive notifications about these opportunities, please provide your company's corporate marketing point of contact to your GSA Contracting

Officer, as well as to the Federal Acquisition Service (FAS) Office of Customer Accounts and Research (QC) Room 200, 2200 Crystal Drive, Arlington, VA 22202, within 15 days from the date of this letter.

- **Logo**—You may use the "GSA Schedule Contract Star Mark" and other authorized logos to identify your Schedule contract to the Government community. The design is flexible, allowing you space to insert your Schedule contract number. Guidelines for the proper use of the GSA logo and GSA Schedule Contract Star Mark are provided at www.gsa.gov/logo. Use of these designs does not eliminate the requirement that a contractor comply with GSAR 552.203-71, Restriction on Advertising. Use of these designs is appropriate in advertisements directed toward Government contract users, provided that the advertisements do not state or imply that the supplies (products) or services are endorsed or preferred by the Government.
- **GSA Schedules**—We invite you to visit the GSA Schedules website at www.gsa.gov/schedules to obtain the latest information regarding the GSA Schedules Program. As a GSA Schedule contractor, your firm will be listed in Schedules e-Library (www.gsa.gov/elibrary), our online source for the latest contract award information. You may search Schedules e-Library by Contractor/Manufacturer Name, Schedule Number, Governmentwide Acquisition Contract (GWAC) Name, Special Item Number (SIN), or Keywords.

Should have any questions, please do not hesitate to contact me by telephone on 703-605-2695 or via e-mail at deborah.mcintosh@gsa.gov. Again, we look forward to working with you.

Sincerely,



Deborah T. McIntosh
Contracting Officer

2 Enclosures

- (1) Commercial Catalog and/or Pricelist
- (2) Contract