

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: Jennifer Mellon, Administrative Services Manager 

DATE: March 7, 2013 (CC Meeting of 3/20/13)

SUBJECT: Consider Resolution Amending the Fiscal Year 2012-13 (FY 12-13) Budget Allocating Funds from the Equipment Replacement Fund to the Information Systems/Cable Television Division for Purchase of Replacement City Telephone Equipment

BACKGROUND

The City of Moorpark has an antiquated telephone system infrastructure. The hardware has been in place for well over 15 years and the software used for the voicemail system is approaching 10 years of age. The equipment and software are no longer supported and the manufacturer is offering discount incentives for replacement of the antiquated equipment. Information Systems (I.S.) wishes to move forward with the replacement of the City Hall phone infrastructure and the voicemail system in order to take advantage of these manufacturer discounts that are available through March 27, 2013.

DISCUSSION

I.S. researched the phone replacement project and discussed the City's immediate and future requirements with our current contractor, Digital Telecommunications Corporation, who maintains our current system. It is proposed that during this first phase of the replacement that the server and the voice messaging solution be replaced. The new server will support the 80 digital phones currently in use and provide the ability to transition to Voice over Internet Protocol (VoIP) moving forward as the need arises. This new solution will also support the City's necessary analog lines that are used for phones and fax machines as well as back-up lines in case of emergency.

As part of the upgrade, seven (7) VoIP phones will be deployed at Arroyo Vista Recreation Center (AVRC) to replace the existing seven (7) phones. As a result, some equipment currently necessary to run the phone system at AVRC can be eliminated which will improve their service. This will be our first transition location to VoIP. It is recommended that in Phase II of the project, the phones at the Police Department, Moorpark City Library, and the Moorpark Public Services Facility would be transitioned to VoIP phones. This could be done as early as FY14-15 or the City could wait and

migrate at a later time. Currently, the City uses standard telephone service and pays a service contract based on each phone line and number of minutes spent communicating as well as charges to connect City facilities. By changing to VoIP service every phone call voice transmission is converted to digital bits and bytes (computer network language), then it is placed on that computer network, routed to the desired destination and converted back to voice and delivered to the intended recipient. VoIP supports real-time, two-way transmission of conversations using Internet Protocol (IP).

As the City switches out locations to VoIP we would save recurring costs by eliminating the current phone service system maintenance costs between City locations and be able to compare VoIP service between carriers for potential savings.

The replacement project will also include a new Voice Messaging System. The new system will function just as the current system for users; however, be much easier to maintain for I.S. It is also being recommended that the City reconfigure the current Voice Messaging System and redeploy it to the Police Department so they have their own stand-alone system.

By upgrading, the City will keep current with support programs and technical advances as well as allow the City a way to migrate to a VoIP environment in a controlled, phased manner. This equipment is also mobile and scalable so in the future when the City expands or completes new projects this equipment will be able to be used.

FISCAL IMPACT

There will be an impact to the Equipment Replacement Fund of \$19,803.38 for Phase I project which includes equipment, software, first year maintenance, and services. The total cost of the project without the manufacturer discounts would be \$28,584.85, so by moving forward prior to March 27, 2013 the City will save \$8,781.47.

The City currently pays \$7,501.32 for annual maintenance of the phone system. First year maintenance is included in the upgrade; however, in year 2 and going forward, the annual recurring maintenance cost will increase to \$8,130.00 annually; an increase in the Internal Services Fund budget, which is allocated as an overhead charge to all departments, of \$628.68 per year. In FY 13-14 telephone maintenance shall be requested to be budgeted at a prorated cost of \$2,710.00 and return to the full maintenance cost of \$8,130.00 in FY 14-15.

Our current contractor Digital Telecommunications Corporation has a valid State of California Municipal Award Schedule (CMAS) contract for Information Technology Goods and Services which guarantees competitive pricing.

Honorable City Council
March 20, 2013 Regular Meeting
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STAFF RECOMMENDATION

ROLL CALL VOTE

Adopt Resolution No. 2013-____, amending the Fiscal Year 2012/13 budget allocating funds from the Equipment Replacement Fund to the Information Systems/Cable Television Division for purchase of replacement City telephone equipment.

Attachment: Resolution

RESOLUTION NO. 2013-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2012/13 BUDGET TO ALLOCATE \$19,803.38 FROM THE EQUIPMENT REPLACEMENT FUND (4003) FOR REPLACEMENT CITY TELEPHONE EQUIPMENT

WHEREAS, on June 20, 2012, the City Council adopted the Operating and Capital Improvement Projects Budget for Fiscal Year 2012/13;

WHEREAS, a staff report has been presented to said Council requesting a budget amendment allocating \$19,803.38 from the Equipment Replacement Fund (4003) for the purchase of replacement City telephone equipment; and

WHEREAS, Exhibit "A" hereof describes said budget amendment and the resulting impact to the budget line item.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment allocating \$19,803.38 from the Equipment Replacement Fund (4003) to the Information Systems/Cable Television Division (3120), more particularly described in Exhibit "A" attached hereto is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 20th day of March, 2013.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

Attachment: Exhibit A – Budget Amendment

EXHIBIT A

**BUDGET AMENDMENT FROM THE EQUIPMENT REPLACEMENT FUND TO THE
 INFORMATION SYSTEMS/CABLE TELEVISION DIVISION FOR REPLACEMENT
 CITY TELEPHONE EQUIPMENT
 FY 2012/13**

FUND ALLOCATION FROM:

FUND TITLE	FUND ACCOUNT NUMBER	AMOUNT
Equipment Replacement Fund	4003-5500	\$19,803.38
Total		\$19,803.38

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

BUDGET NUMBER	ADOPTED	REVISION	ADJUSTED
4003.3120.0000.9503	\$12,000.00	\$19,803.38	\$31,803.38
Total	\$12,000.00	\$19,803.38	\$31,803.38

Finance approval: 