To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

Re: Procurement Master Agreement Amendment (MA-PO-12000151) Voice over Internet Protocol (VoIP) Communications System Continued by the Board of Supervisors on April 16, 2013

The Board of Supervisors requested information regarding the planned phased implementation of the Voice over Internet Protocol (VoIP) Communications System at the April 16, 2013 meeting associated with the Procurement request to amend the Master Agreement with Qwest Communications Company, L.L.C., dba CenturyLink Q.C.C., Qwest, for Phase II of the voice over internet protocol communications system, contract amount $1,238,916.03 (MA-PO-12000151).

Prior to Fiscal Year (FY) 2010, I had requested that our Information Technology Director develop a plan to replace our obsolete downtown telephone system that serviced Administration East, Administration West, Superior Court and the Old Courthouse facility. This downtown telephone system resided in the basement of the Old Courthouse, which had the potential to flood during monsoon season. In addition, this facility had out-of-date electrical wiring and had experienced a power distribution panel fire that did not result in a major fire at that time.

With the majority of the downtown complex being reliant on an obsolete telephone system residing in a high-risk environment, I requested this replacement process be a high priority. As part of the Information Technology Department strategic planning process, we identified the additional risks of maintaining and supporting many obsolete telephone systems residing at multiple county sites. The majority of these telephone systems were obsolete, since they used decades old analog instead of current digital communications technology. By replacing these telephone systems, the County could eliminate the annual maintenance cost of these systems, as well as eliminate the costs of a separate voice network required by these analog systems.

A Request for Proposals process was conducted to replace the County’s aging telephone system environment with the key objectives to have:

- one digital telephone system for Pima County;
- the digital system operate on the County’s data network, eliminating the cost of a redundant County voice network;
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- the digital system reside within the County’s existing data center and server environment;
- failover capability in the event of a County data center disaster situation; and
- an easily expandable system to service any future County facility through the County’s data network.

On August 29, 2011, the Board of Supervisors approved a five-year agreement with Qwest Communications Company, LLC dba CenturyLink Q.C.C., Qwest. This five-year agreement fixed hardware, software and contract services pricing over the five-year term. Pricing included acquisition and other costs associated with implementation and annual maintenance of the new VoIP system. A phased implementation spread investment capital across multiple years and also freed up aging telephone systems to be used as the source of spare parts for ongoing telephone system maintenance until all were decommissioned. At this time, all these aging telephone system models have limited part supplies, and some parts are being sold to us in an “as is” condition.

Attached is the phased implementation approach (Phases I through V) based on our current plan, which has been revised over the last two budgetary planning years. The completion of Phase I implemented the base foundation to achieve the strategic planning objectives. This single VoIP Communications System now runs on the County’s virtualized server data center environment, can be recovered within 15 minutes at the County’s disaster recovery site, is expandable to any future County site, and operates on the County’s existing data network. Phases II through V continue to decommission aging telephone systems and eliminate segments of the redundant voice network. Phase II’s approved FY 13 budgeted capital has a planned completion date of September 2013 and finalizes the transition of the entire downtown complex to this centralized VoIP system. Once completed, the County will realize greater than $1.7 million in total savings over the system’s 15-year life with a return on investment exceeding 35 percent.

Based on the risk and savings opportunities associated with eliminating this redundant voice network and aging decentralized telephone systems environment, I would recommend the Board approve the Procurement Master Agreement Amendment (MA-PO-12000151) Voice over Internet Protocol (VoIP) Communications System and plan to approve future MA increases as they are requested in support of this project.

CHH/mjk
Attachment
c: Lionel Bittner, Director, Information Technology
    George Widugiris, Director, Procurement
<table>
<thead>
<tr>
<th>Phase</th>
<th>Sites Included</th>
<th>Cost per Phase</th>
<th>Total County VoIP Annual Maintenance</th>
<th>Employee Population Covered</th>
<th>Phase Completion Date</th>
<th>Funding Source</th>
<th># of Phone Systems Decommissioned and Avoided</th>
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<tbody>
<tr>
<td>I</td>
<td>Administration East, Administration West, Superior Court, Old Courthouse, Country Club-Elections, RWRD Water Campus, School Superintendent</td>
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<td>$77,192</td>
<td>1,364</td>
<td>11/1/2012</td>
<td>Telecommunications Internal Service Fund</td>
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<td>II</td>
<td>Public Works Blding, Legal Services Building, Bank of America Building, RWRD-IN A Rd and Conveyance, 97 E. Congress, TROD</td>
<td>$1,085,035</td>
<td>$32,808</td>
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<td>9/30/2014</td>
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<td>III</td>
<td>Abrams, Health South, Health North, Adult Pro SW, Juvenile Courts, Ajo Pub Def and County Att'y, KSC, Rec Center, Med Examiner</td>
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<td>$23,490</td>
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<td>IV</td>
<td>Mission Rd, Las Artes, TEP, Animal Care, Adult Pro North, NW Justice</td>
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<td>2016</td>
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<td><strong>TOTALS</strong></td>
<td><strong>$4,683,505</strong></td>
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