



**Rochelle Municipal Utilities**  
Communications

## Memo

**To: City Manager David Plyman**

**From: Scott Koteski**

**Date: June 19<sup>th</sup> 2013**

**Re: Phone system purchase**

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The City and Communications current Cisco phone system is now over 10 years old and has reached its end of life with Cisco for maintenance and parts availability. The City currently shares the Cisco system with the Rochelle Township High Schools as well this system supports many other local business phone needs. The current Cisco system is now lacking in performance and features in today's market; parts and software updates are becoming more difficult to attain and are only available through refurbishing vendors.

In researching vendors and options to replace the system we have identified Mitel as the best fit for our needs and the needs of our customers. Using the National Joint Powers Alliance contract with Mitel and due to the volume of phones we need, we can purchase this equipment at a 38% discount off list price when utilizing the NJPA contract.

The total cost of equipment and labor will amount to \$133,176.94 this would include \$55,548.32 in equipment for the Rochelle Township High School. RTHS board on June 17<sup>th</sup> approved a joint venture with the City to replace the current phone system; RTHS also approve to pay the City 5 yearly payments of \$10,109.64 for the schools share of this purchase. We have also negotiated a 3-year parts and labor manufacture warranty on all equipment purchased.

It is my recommendation to approve the purchase of the Mitel phone system using the NJPA contract for the amount of \$133,176.94, with RTHS repaying their portion of the equipment over 5 years.

Scott Koteski