Reviewed Date:	Approved: Bryan Whitemyer, City Manager	Meeting Date: February 14, 2011	Agenda Item: 3

Executive Summary

Presented By:	**Dominique Spinale, Management Analyst**
Subject:	**Consideration of the Award of IT Services Contract to EZ Network Systems to provide Hughson with Information Technology Services authorizing the City Manager to Execute the Agreement.**
Enclosures:	**Contract for Services** **Scope of Work (Exhibit A and C)** **Compensation Details (Exhibit B)**
Budget Action:	**Administrative Services Fund, Contract Services. (40-6202-130)**
Desired Action:	**Consideration and Approval of Resolution No. 2011-011 awarding an Agreement for Professional Services to EZ Network Systems, to provide the City of Hughson with Information Technology (IT) Services, and authorizing the City Manager to execute the Agreement.**

Background:
The City hired *Adtech Computers* in May of 2010 to provide the City with on-call IT services at an established hourly rate. The City continued to utilize the services of *Adtech Computers* while it completed the Request of Proposals (RFP) process for these services.

An RFP was prepared to solicit IT Service providers and was presented to the City Council for review at the December 13, 2010 meeting. The RFP was sent to all local IT firms located in the area via the Internet and was advertised for a period of three weeks.

Due to a high volume of technical questions, Staff also coordinated and advertised a “site tour” for all firms interested so they may have an idea of what services the City is in need of and the type of equipment the City currently utilizes.

Summary:

The City received a total of four (4) proposals for these services. The proposals were reviewed and Staff set up a panel interview process with the top three candidates:

Adtech Computers	$39,000 per year
Mid-Valley IT Services	$22,620 per year
EZ Network Systems	$24,828 per year

The interview panel consisted of three (3) persons, Bryan Whitemyer (City Manager), Lisa Whiteside (Senior Account Technician) and Dominique Spinale (Management Analyst).

Upon completion of the interviews the panel evaluated each firm and provided discussion and feedback as a group on each firm. We discussed their knowledge, experience, willingness, etc. The panel agreed that EZ Network Systems was the top all around candidate to provide services to the City.

EZ Network is very experienced and knowledgeable firm. Their expertise enables them to work with and variety of equipment and software. They also understand the needs of a small organization, like Hughson. One of the intriguing aspects of their proposal was that they do not put a cap on the amount of service hours provided each week.

Upon checking their references, EZ Network received very positive reviews from all of their clients who expressed their dedication and commitment to their agency's system, their ability to adapt to their systems, and their willingness to learn everything about the system so they can get the best and most use of it.

Fiscal Impact:
The cost for the services that will be provided is $2,069 per month, which includes comprehensive service of 20 computers and 3 servers. The yearly amount of $24,828 will be included in the 2011-2012 Fiscal Year Budget under Administrative Services Fund, Contract Services. (40-6202-130).
This contract will take effect March 1, 2011. There will be no budget amendment needed for this contract in this current fiscal year (2010-2011), as there are adequate funds remaining through June 30, 2011.

Recommendation:
Consideration and Approval of Resolution No. 2011-011, awarding an Agreement for Professional Services to EZ Network Systems, to provide the City of Hughson with Information Technology (IT) Services, and authorizing the City Manager to execute the Agreement.

City of Hughson
City Council
Resolution 2011-011

A Resolution of the City Council of the City of Hughson awarding an Agreement for Professional Services to EZ Network Systems, for Information Technology (IT) Services, and authorizing the City Manager the execute the Agreement

Whereas, the City of Hughson was seeking a qualified firm with established experience and the resources necessary to provide professional, compliant, dependable, and timely IT services; and

Whereas, the City of Hughson announced a request for proposals (RFP) for IT Services and reviewed and interviewed all reasonable proposals; and

Whereas, the City of Hughson has agreed that the firm of EZ Network Systems has demonstrated their ability to provide comprehensive IT Services at a monthly cost of $2,069 per month, $24,828 per fiscal year.

Now Therefore Be It Resolved that the Hughson City Council awards an Agreement for Professional Services to EZ Network Systems for IT Services, and authorizes the City Manager to execute the Agreement.

It is hereby certified that the foregoing Resolution No 2011-011 was duly introduced and legally adopted by the City Council of the City of Hughson at its regular meeting held on the 14th day of February 2011 by the following Roll call vote:

Ayes in favor:
Noes:
Absent:
Abstain:

Approved	Attested
_____	_____
Ramon Bawanan, Mayor	Michele P. Winterbottom, MMC City Clerk

CITY OF HUGHSON

AGREEMENT FOR PROFESSIONAL SERVICES
CITY OF HUGHSON / EZ NETWORK SYSTEMS

This AGREEMENT, made and entered into this 1st day of March, 2011, by and between the City of Hughson (City) and EZ Network Systems (Contractor).

WHEREAS, City desires to employ Contractor to furnish Professional Managed Information Technology Services for Desktop PC Support, Systems Analysis/Project Management, General Infrastructure Maintenance, Application Maintenance, and IT Management. (The Project).

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

1. SERVICES BY CONTRACTOR

Contractor shall perform services in a manner commensurate with the highest professional standards by qualified and experienced personnel in accordance with the Scope of Work attached hereto as Exhibit A and Exhibit C.

2. INDEPENDENT PARTIES

Contractor and its employees are independent contractors and not employees of the City. Contractor and/or its insurers are responsible for payment of any liability arising out of workers' compensation, unemployment, or employees' benefits offered to its employees.

3. PERMITS AND LICENSES COMPLIANCE

Contractor shall maintain all appropriate permits, licenses and certificates that may be required to perform the work or provide the services under this contract. Contractor shall comply with all federal, state and local laws in its performance under this contract.

4. TERMINATION

This contract may be terminated at any time by the City or Contractor. In the event of such termination, Contractor is to be fairly compensated for all work performed to the date of termination.

5. REPORTS

Every document prepared under this contract is the exclusive property of the City. No information prepared under this contract may be made available to any individual or organization without the City's prior approval.

6. HOLD HARMLESS

Contractor shall indemnify, defend, and hold harmless the City, its officers, officials, employees, agents and volunteers from and against all liabilities, claims, damages, losses, and expenses, herein, caused in whole or in part by any negligent act or omission of the Contractor, its consultants, subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of the City.

Contractor is not responsible for data loss resulting from the City's misuse of a storage device, omissions of data from the backup job, viruses, spyware, or catastrophic loss of data due to fire, flood or similar act of God. All data should be stored in the designated location on the server.

7. FORCE MAJEURE

Neither party shall be held liable for any delay or failure in performance of all or a portion or the Services of any part of this Agreement from any cause beyond its reasonable control and without its fault or negligence, including, but not limited to, acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts affecting facilities other than facilities of a kind commonly protected by redundant power systems, unless such redundant power systems are also affected by any Force Majeure condition, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

8. INSURANCE

Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons for damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

Coverage Required	Limits	Scope as Broad
General Liability	$1,000,000 per occurrence	As ISO CG00 01 11 88
Automobile Liability	$1,000,000 per occurrence	As ISO CA00 01 12 90
Workers' Compensation	Statutory Limits	
Employer's Liability	$1,000,000	

The General Liability and Auto Liability policy(ies) are to contain or be endorsed to name the City, its officers, officials, employees and volunteers as Additional Insured’s as respects liability arising out of the activities performed in connection with this contract. The Contractor's coverage shall be primary and shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Contractor shall furnish the City original endorsements (affecting coverage required by this clause) signed by a person authorized to bind coverage on its behalf.

The Workers Compensation policies (ies) are to be endorsed to include a waiver of subrogation against the City, its officers, officials, employees, and agents.

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII unless otherwise acceptable to the City.

The endorsements are to be received and approved by the City before work commences.

9. MISCELLANEOUS PROVISIONS

a. Waiver. The City's waiver of a breach of term is not deemed a waiver of any subsequent breach of the same term.

b. Cost of Litigation. If legal action is necessary to enforce this contract, the prevailing party is entitled to receive all costs and expense including reasonable attorney's fees and costs of arbitration or litigation.

c. Entire Contract. This document, together with the attachments, is the entire contract. Any modification must be in writing and signed by the parties.

d. This contract shall bind and inure to the benefit of the heirs, successors, and assigns of the parties; however, Contractor shall not subcontract or assign this contract without the prior written consent of the City.

10. TERM OF CONTRACT

This contract shall take effect March 1, 2011 and shall renew every month thereafter unless either party gives notice of termination 15 days prior to renewal.

11. COMPENSATION

Contractor shall be compensated in accordance with Exhibit B attached hereto. Payment shall be made on a monthly basis as submitted by Contractor. City shall submit payment to Contractor on the first business day of the month for services that will be provided during that month.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions and provisions above stated to be effective on the day and year first above written.

CONTRACTOR:	CITY OF HUGHSON:
_____	_____
Raymond R. Smith	Bryan Whitemyer
_____	City Manager_____
President	Title
4203 Coronado Avenue, Suite 1	P. O. Box 9 _____
Address	Address
Stockton _____ CA. 95204	Hughson CA 95326__
City State Zip	City State Zip
(209) 477-4390	(209) 883-4054_____
Telephone	Telephone

EXHIBIT A

Scope of Work

The Following Services Will Be Provided by CONTRACTOR to the City of Hughson:

1. **Comprehensive Desktop Support:**
   The setup of all new computers, servers, and configuration of new users, installation of hardware and software on desktop computers, removal of spyware and viruses from desktop computers, one on one training of end users, i.e., task specific training, how do I print, how do I add an e-mail signature. General troubleshooting and problem solving related to the normal functioning and operation of the desktop computer. Costs related to the physical repair of equipment, such as out of warranty repairs are not covered.

2. **Peripheral Installation and Configuration:**
   The setup and configuration of all printers, fax machines, copiers and related peripherals. In the case of large copiers, physical installation and basic configuration will be provided by the copier reseller.

3. **General Infrastructure Maintenance:**
   Add and remove users from networked computer systems. Maintain e-mail and back-up system. Create and maintain shared network folders. Install and maintain network equipment including switches and routers. Install and maintain servers.

4. **Website Assistance and Maintenance**
   Assist the City with modifications and changes to current website, or new website as agreed upon (www.hughson.org.) Provide training needed for department staff to be able to update, change, and maintain the City's website page. Assistance may be needed for set-up, organization, and modifications to create a user friendly and appealing website for both the Staff and Public.

5. **Application Maintenance:**
   Setup, configure and maintain applications. Coordinate with departments and vendors to patch or otherwise upgrade applications as appropriate. Examples of applications include the City's current financial software, MOM.

6. **Technology Management:**
   Coordination with appropriate departments to develop policies and procedures for technology use, budgets, and equipment replacement plans, provide feedback for new construction plans, act as expert technology resource for departments and their partners. Work with departments to determine training needs and opportunities and develop and present training sessions.

7. **Spirit of the Agreement & Other Services:**
   The spirit of the Agreement is to provide comprehensive managed IT Services. In that spirit CONTRACTOR will endeavor to provide support for a wide array of the technologies in use throughout the City that may not be specifically detailed above.

Where time is spent each week

Activity	Frequency	Description	Time Estimate
Desktop Support	Twice Weekly	Support for end users. Installation of hardware and software. Informal one on one training. Remove spyware.	5 hours
System Checks	Daily	Monitor tape backup to ensure successful backup of systems. Monitor system to make sure all critical systems are functioning normally. Make sure spam filter is functioning properly.	2.5 hours
System Maintenance	Weekly	Make sure systems are patched with the latest updates and security patches. Reboot servers.	1 hour
IT Management	Weekly	Tasks vary each week. Tasks include but are not limited to: Budgeting, replacement schedules, and inventory. Policies and procedure development. Creating curriculum and leading training sessions. Providing expert advice for construction projects, city initiatives, etc... “Micro-projects”; upgrades to LaserFiche, MOM, implement Blackberry Server, etc…	1.5 hours

CONDITIONS

- CONTRACTOR will provide regularly scheduled on site support twice a week, in other words a technician will always be on site a minimum of two times per week, visits will be approximately 2.5 hours in length.

- CONTRACTOR will provide responsive support for critical requests on non scheduled support days either remotely or by dispatching a technician onsite. Critical requests include down computers, networks, or similar emergencies.

- CONTRACTOR will develop a 12 month work plan with the City Manager or their designee, and coordinate task specific projects such as training, budgeting, policy and procedure development, and application maintenance accordingly.

- One 4 drawer file cabinet (or similar) will be provided by the city for the exclusive use of the "IT Department" for storage of consumables, software and documentation.

- A consumables budget for the purchase of a "stock supply" of patch cables, Velcro cable ties, power bars, and assorted consumables will be required. (This is estimated to be approximately $350 annually.)

- CONTRACTOR will make a good faith effort to provide a comprehensive managed IT Service. However at certain times situations will arise that are outside of the core competencies of CONTRACTOR and the spirit of this proposal. These situations may include but are not limited to the installation of cabling, printer repair, complex telephone system changes, and advanced audiovisual configurations. When a situation is outside of the scope of the proposal CONTRACTOR will work with the City to find an appropriate vendor who can provide the solution. CONTRACTOR will not be liable for the cost for solutions outside of the scope and spirit of this agreement.

- This proposal covers only labor provided by CONTRACTOR.

- In the event of a missed scheduled service appointment, the visit will be rescheduled. If the visit is not rescheduled the value of the missed scheduled service appointment will be credited back to the client on the next bill.

- The managed technology service provided by CONTRACTOR to the City of Hughson can be terminated at any time by either party. Termination of the service must be done in writing, at least 15 days prior to renewal as included in the "Terms of Contract" section of the Agreement.

- In some circumstances background checks/ "live scans" may be appropriate for CONTRACTOR Staff. The client has a right to request a background clearance on staff assigned to their account. Background checks / "live scans" must be facilitated and paid for by the client.

EXHIBIT B

Compensation Details

CONTRACTOR will provide a comprehensive managed IT services for the City of Hughson for $ 517.25 per week, $ 24,828.00 per year.

The monthly invoice amount will be $ 2069.00. The monthly invoice amount is calculated by dividing the yearly amount by 12.

CONTRACTOR will provide managed IT Services to the City of Hughson for $65.95 per desktop or laptop computer and $250 per server. Based on the City of Hughson computer count provided, the monthly amount will be $2,069 and can increase or decrease with addition or removal of computer systems.

CONTRACTOR will submit its invoice for monthly IT services to the City of Hughson at least fifteen (10) days prior to the first business day of the month.

The City of Hughson will submit payment to CONTRACTOR on the first business day of the month in which the monthly services will be provided.

Exhibit C

EZ Network Systems, Inc. shall provide the City of Hughson our Total Service Managed IT program that includes what the city is requesting in Exhibit A and the following additional features:

The agreement shall be based on 20 Computers (PC / laptop / etc) & 3 Servers
$65.95/per desktop & $250.00 per server, increases and decreases in number of computer shall effect monthly billing.

Unlimited IT Maintenance and support

There shall be no limit upon total hours provided for support of existing systems. Replacement of an existing system is considered support. New applications and or software that require more than 5 hours to implement shall be considered a project, and subject to a project bid. EZ Network Systems shall in good faith provide Total IT support to the City of Hughson; our goal is to charge a single flat fee for IT support services, so that the costs are budgetable and predictable.

Remote Monitoring and Management Platform

EZ Network Systems shall provide use of our Kaseya software on all covered desktop for the City of Hughson, this software allows us to perform remote support, monitor various system vitals (ie: Drive about to fail) as well as for end user to access our support portal to place service requests.

Complete Help desk and remote ticketing

EZ Network System shall furnish the use of our ConnectWise ticket system so that all users can submit tickets; approved city staff can be given access to review all services tickets.

Emergency Support

EZ Network Systems shall provide IT support from 8AM – 4:30PM on business days, and after hours / holidays and weekend provide emergency on-call support. (An emergency is considered to be multiple users affected, i.e. a server down, a critical functions that cannot be completed on time, i.e.: payroll.

Web Site Hosting

If it is possible to transition the existing website from the current host, EZ Network Systems shall provide all web hosting services for www.hughson.org at no cost as part of this agreement.

Quarterly Review Meetings

EZ Network Systems shall provide quarterly review meetings with City Staff coving IT, review of recent tickets, IT planning, etc. If needed special meetings can be scheduled if there is an ongoing issue.