



City of Grand Island

Tuesday, August 12, 2014

Council Session

Item G-21

#2014-219 - Approving Contract for Information Technology Network Administration Support

Staff Contact: Jaye Monter, Finance Director

Council Agenda Memo

From: Jaye Monter, Finance Director

Meeting: August 12, 2014

Subject: Approving Contract for Information Technology
Network Administration Support

Item #'s: G-21

Presenter(s): Jaye Monter, Finance Director

Background

Three years ago the City of Grand Island's Information Technology division sought its first request from vendors to provide expert service for network administration support. That three year contract awarded to Duey's Computer Service, Inc. has proven not only financially beneficial to the city by not having to employ a dedicated network administrator, but also a success in providing expertise with design and implementation of the city's growing network, servers, firewalls, switches and routing configurations.

Therefore, a second Request for Proposals were requested and accepted May 14, 2014 by the Information Technology division of Finance, with three vendors responding to the request.

Discussion

Proposals were received, reviewed and scored by two individuals from the Information Technology division and one individual from Utility Engineering. Duey's Computer Service, Inc. of Lincoln, Nebraska is the vendor selected to continue contract services with an expert service provider for network administration support.

Duey's Computer Service, Inc. will continue working with the Information Technology team along with other divisions of the city to continue building network service to remote locations and bring continuity, security expertise and disaster recovery processes and procedures to our City Hall domain.

Contract services will provide 35 hours per month including two site visits at a monthly cost of \$3,435. Service calls above 35 hours per month will be billed at \$95 per hour for the first hour and \$23.75 for each 15 minute segment plus \$142.50 for

additional on-site visits. Priority calls needing service within one hour will be billed at \$180 per hour for the first hour and \$45 for each 15 minute segment.

The contract contains an annual rate increase of 3% beginning September 1, 2015 for year two and September 1, 2016 for year three. After the last day of August, 2017, the contract shall continue on a month to month basis along with the 3% annual rate increase each September 1 until cancelled by either party in writing.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the computer network maintenance agreement for with Duey's Computer Service, Inc. for information technology network administration support.
2. Postpone the request.
3. Take no action.

Recommendation

City Administration recommends that the Council approve the computer network maintenance agreement for network administration support with Duey's Computer Service, Inc. of Lincoln Nebraska.

Sample Motion

Move to approve the computer network maintenance agreement for network administration support with Duey's Computer Service, Inc. of Lincoln, Nebraska.



Stacy Nonhof, Purchasing Agent

*Working Together for a
Better Tomorrow, Today*

**REQUEST FOR PROPOSAL
FOR
INFORMATION TECHNOLOGY EXPERT SERVICE PROVIDER SUPPORT**

RFP DUE DATE: May 14, 2014 at 4:15 p.m.

DEPARTMENT: Information Technology

PUBLICATION DATE: April 25, 2014

NO. POTENTIAL BIDDERS: 2

SUMMARY OF PROPOSALS RECEIVED

NetStandard
Kansas City, KS

Duey's Computer Service, Inc.
Lincoln, NE

Turner & Associates, Corp.
Holdrege, NE

cc: Jaye Monter, Finance Director
Stacy Nonhoff, Purchasing Agent

Robyn Splattstoesser, IT Manager
Mary Lou Brown, City Administrator

P1735

COMPUTER/NETWORK MAINTENANCE AGREEMENT

This Computer/Network Maintenance Agreement is entered into by and between Duey's Computer Service, Inc. and The City of Grand Island, a city government located in Grand Island, Nebraska this _____ day of _____, 2014.

In consideration of the promises, covenants, obligations and other consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby mutually agree as follows, to wit:

1. Term. The term of this Agreement shall begin the 1st day of September, 2014 and end on the last day of August, 2017. After the last day of August, 2017 this agreement shall continue on a month to month basis until cancelled by either party in writing.

2. Scope of the Service Provided. Duey's Computer Service, Inc. (hereinafter "Duey's") shall be the primary provider of computer and network support for The City of Grand Island (hereafter "The City"), during the term of this Agreement. Duey's will provide The City 35 hours of standard service per month at the rate set forth hereinafter. The 35 hours per month must be used in the designated month or used in the month immediately following the designated month providing this contract is still in effect. If the hours in the 35 hour provision are not used in the designated month or in immediately following the month, the hours shall be forfeited and shall lapse. Duey's will provide two (2) monthly onsite visits without travel charges. Additional onsite visits during any given month will incur travel charges, at the rate set forth below. The City hereby agrees that no other computer service provider, or equipment vendor of any kind shall install, upgrade, adjust or otherwise alter the configuration of the network system, or any component thereof, during the term of this Agreement without first contacting Duey's to obtain the necessary information with which to make the installation, upgrade, adjustment or alteration, so as to avoid jeopardizing the network system. Duey's will not charge for e-mail or telephone calls with a vendor called by The City under the foregoing circumstances, if said e-mails or phone calls require less than fifteen (15) minutes of Duey's time. If additional assistance is required by the service provider or vendor, The City hereby agrees to pay Duey's the "Priority Rate" for such services, as set forth below.

Duey's shall also provide telephone and e-mail support for The City at The City's request. Any computer related issue not resulting in a service call, and brought to Duey's attention shall be considered telephone or e-mail support. Duey's shall provide telephone or e-mail support out of the monthly pool of hours as part of the monthly fee set forth hereinafter.

Duey's shall further provide proactive network monitoring from its home location, Lincoln, Nebraska. The City shall promptly notify Duey's of any computer related problems as they occur, and shall allow Duey's access to its computer systems, and all components thereof, in order to document and resolve the network and computer problems. Any alarms generated by the monitoring system implemented by Duey's shall be considered an incident, as set forth in the preceding paragraph.

3. Service Rates.

- A. Contract Rates. In exchange for the services to be provided by Duey's to The City, The City hereby agrees that it shall pay to Duey's the sum of \$3,435.00 per month, plus the annual increase in section D below, for each month during the term hereof. Duey's shall provide an invoice to The City on a monthly basis, setting forth this charge, together with any additional charges for time spent by Duey's in servicing the needs of The City under the terms and provisions hereof.
- B. Standard Rate. For a standard service call, Duey's will respond within 1 to 3 business days. Included within this Computer/Network Maintenance Agreement is 35 hours of standard service per month, for the charges set forth in the preceding paragraph. In the event that 35 hours have not been used by The City in any calendar month or immediately following the calendar month as outlined above in section 2, said time shall be forfeited, and shall lapse. Additional time for standard service calls will be billed at \$95 per hour for the first hour, and \$23.75 for each 15 minute segment or any portion thereof, thereafter. This rate will increase annually as set forth in section D below. As stated previously, Duey's will waive travel charges for two (2) visits per month. Additional on-site visits during any given month will incur a charge of \$142.50 per trip. This rate will increase annually as set forth in section D below.
- C. Priority Rate. For all priority service calls, Duey's will make itself available within one (1) hour of being contacted by The City for said service (plus any additional travel time). Priority service calls shall be billed at \$180.00 per hour for the first hour, and \$45 for each 15 minute segment, or any portion thereof, thereafter. This rate will increase annually as set forth in section D below.
- D. Annual Rate Increase. For the duration of this contract the above rates will increase by 3% per annually with the first increase taking effect September 1st, 2015 and increasing annually each September 1st until the contract is cancelled or superseded.

All service requests shall be considered standard service calls unless The City specifically requests a priority service call.

4. Parts and Equipment. If parts or other equipment are required to repair or upgrade existing equipment, Duey's shall contact The City for authorization before any such parts or other equipment are purchased or installed.

5. Indemnification and Hold Harmless. Duey's hereby agrees that it shall handle all computers, equipment, and data owned by The City with utmost care. However, Duey's cannot and shall not be liable for any hardware failures, software failures, or data loss as a result of the services provided hereunder. Duey's recognizes that the network and servers of The City contain some confidential and privileged information. This confidential and privileged information shall not be accessed without the express consent of The City. The City hereby agrees to indemnify and hold Duey's harmless from and against any and all claims, damages, losses or expenses arising out of or

related to acts, negligence, or failures of its employees, or agents, with respect to the computers, network equipment and software being serviced by Duey's hereunder.

6. Invoice and Payment. Duey's shall submit monthly invoices to The City, containing the monthly charge of \$3,435.00, and an itemization of any charges for additional services provided, pursuant to the rates and increases set forth herein above, and any additional costs which have been incurred for parts and equipment, in each month during the term of this Agreement. The monthly maintenance fee shall be prepaid each month. The City shall pay the full amount of each such invoice within thirty (30) days of the date of its receipt. Any balances not paid within thirty (30) days of receipt by The City shall bear interest at the rate of 1.5% per month, beginning thirty (30) days after the date of the unpaid invoice. Any and all costs of collection, including postage, attorneys fees, and costs shall be paid by The City.

7. Early Termination due to deficiencies. Upon written request, both parties shall have sixty (60) days to cure any deficiencies prior to contract termination for such deficiency. Duey's hereby agrees that The City may terminate this contract immediately should Duey's give access to The City's information, data, documents, etc. stored on the network to any person or company not specifically authorized by The City to have that information.

8. Governing Law. This Agreement shall be construed, governed, and interpreted according to the laws of the State of Nebraska.

9. Time of the Essence. Time is of the essence of this Agreement, and the parties hereby agree that any and all obligations as set forth herein shall be performed in a reasonably timely manner.

10. Severance. If any paragraph, section, or portion of this Agreement shall be unenforceable under the laws of the State of Nebraska, for any reason, the remaining portions of the Agreement which are otherwise enforceable shall remain in full force and effect.

11. Assignability. Neither this Agreement nor any of the parties' rights hereunder shall be assignable by any party hereto, without the prior written consent of the other party.

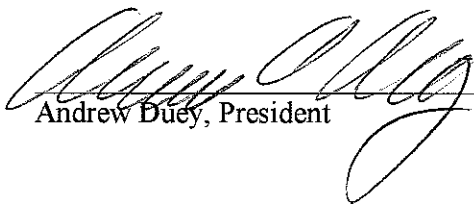
12. Entire Agreement. This Agreement shall constitute the final written expression of all of the agreements between the parties, and is a complete and exclusive statement of those terms. It shall supersede all understandings and negotiations concerning the matters specified herein. Any representations, promises, warranties or statements made by either party that differ in any way from the terms of this written Agreement shall be given no force or effect. The parties specifically represent, each to the other, that there are no additional or supplemental agreements between them related in any way to the matters set forth herein unless specifically included or referred to herein. No addition to or modification of any provision of this Agreement shall be binding upon any party unless made in writing, and signed by all parties hereto.

13. Headings. Headings of the articles and sections of this Agreement are for the convenience of the parties only, and shall be given no substantive or interpretative effect whatsoever.

IN WITNESS WHEREOF, the parties have executed this Computer/Network Maintenance Agreement on the day and year herein above first set forth.

DUEY'S COMPUTER SERVICE, INC.

Date: 8-6-14

By: 
Andrew Duey, President

THE CITY OF GRAND ISLAND.

Date: _____

By: _____
Authorized Representative

RESOLUTION 2014-219

WHEREAS, the Information Technology Division of Finance requested proposals for network administration support with an outside expert service provider; and

WHEREAS, on May 14, 2014 three proposals were received, reviewed and evaluated in accordance with established criteria in the RFP; and

WHEREAS, Duey's Computer Service, Inc. of Lincoln, Nebraska submitted a proposal for established services for a period of 36 months with an option to renew month to month at the end of the term; and

WHEREAS, the Agreement would begin September 1, 2014 thru August 31, 2017; and

WHEREAS, with a monthly standard rate of \$3,435 with a 3 percent increase each September 1st of each year thereafter for details and services outlined in the agreement; and

WHEREAS, the proposed agreement has been reviewed and approved by the City Attorney's office.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the information technology computer network administration maintenance agreement by and between the City and Duey's Computer Service, Inc. is hereby approved.

BE IT FURTHER RESOLVED, that the mayor is hereby authorized and directed to execute such agreements on behalf of the City Of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, August 12, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
August 11, 2014	☐ City Attorney