



City of Grand Island

Tuesday, March 07, 2006

Special/Council Session

Item G16

#2006-76 - Approving Business Continuity and Recovery Services Agreement with IBM

Staff Contact: Dave Springer

Council Agenda Memo

From: David Springer, Finance Director

Meeting: March 7, 2006

Subject: Approving Business Continuity and Recovery Services Agreement with IBM

Item #'s: G-16

Presenter(s): David Springer, Finance Director

Background

The City's IBM AS400 computer system on which resides the Utilities Department's customer base and billing software, has routinely been backed up for disaster recovery purposes by a business recovery contract with IBM.

Discussion

The current contract with IBM at \$309 per month is expiring. A new three year contract with IBM at \$282 per month is proposed to provide business continuity and recovery services. Sufficient funds have been budgeted for this contract within the Information Technology operating budget.

Alternatives

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

1. Approve the three year contract with IBM.
2. Disapprove or deny the contract.
3. Modify the Resolution to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the contract with IBM.

Sample Motion

Approve the three year Agreement for Business Continuity and Recovery Services with IBM.

IBM BUSINESS CONTINUITY & RECOVERY SERVICES

**MULTIVENDOR INFORMATION TECHNOLOGY RECOVERY SERVICES
CONTRACT DOCUMENTS**

FOR

CITY OF GRAND ISLAND

100 E 1ST

GRAND ISLAND, NE 68801-5971

SUBMITTED BY:

**Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700**

Supplement Number: P09208
Sequence Number/Version: 5C09208-22
Date Generated: 02/03/06
This offer is good until 05/04/06.

Supplement for Multivendor Information Technology Recovery Services

The terms of the IBM Customer Agreement and its Attachment for Multivendor Information Technology Recovery Services (or an equivalent agreement signed by both parties) apply to this transaction.

Customer Name and Address:

CITY OF GRAND ISLAND

100 E 1ST
GRAND ISLAND, NE 68801-5971

REFERENCE NUMBERS

Agreement: HQ12291
Customer: 3871230
Enterprise: 3871230

CONTRACT PERIOD

Start Date: 03/01/06
End Date: 02/28/09

IBM Address for Notices:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

SUPPLEMENT

Number: P09208
Effective Date: 03/01/06
Revision (yes/no): No
Renewal (yes/no): Yes

Covered Address:

100 E 1ST
GRAND ISLAND, NE 68801-5971

Primary Recovery Site
Chicago, IL

MONTHLY CHARGES

Total Monthly Charge: \$ 282
Minimum Total Monthly Charge: \$ 282

RECOVERY CHARGES

Initial Recovery Charge: \$ 3,380
Day(s) Included in Initial Recovery Charge: 2
Daily Recovery Charge per day thereafter: \$ 338

RECOVERY EXERCISE

Initial Contract Period Year 1 - Total Hours: 0
Number of Exercises: 0
Each subsequent twelve-month period - Total Hours: 0
Number of Exercises: 0
Additional Recovery Exercise time, per 4-hr block: \$ 548
Additional Recovery Exercises, per exercise: \$ 2,704

TELECOMMUNICATIONS

One-Time Charge: N/A
Usage charges are billed separately.

GENERAL

Temporary Transfer of Configuration for Recovery: Y
Work area space allocated at time of Event.

Agreed to: CITY OF GRAND ISLAND

Agreed to: International Business
Machines Corporation

By: _____

By: _____

Name (print): _____

Name (print): _____

Title: _____ Date: _____

Title: _____ Date: _____

Supplement for Multivendor Information Technology Recovery Services (Continued)

EQUIPMENT CONFIGURATION

Customer Name: CITY OF GRAND ISLAND

Configuration

Number: 3871230

Processor: 9406/2396 820T

Address: 100 E 1ST

GRAND ISLAND, NE 68801-5971

Recovery Site: Chicago, IL

System Storage: 2048MB

Supplement Number: P09208

DASD Gigabytes: 121.52GB

Minimum OS Level: OS/400 5.2.0

Quantity or Units	Machine or Product	Model	Product Description
----------------------	-----------------------	-------	------------------------

=====

IBM Equipment:

1	9406/2396	820T	iSeries CPU Server Model
8	940XMS	820	Main Storage-256MB Increments
1	940X/1522	8XX	AS/400 8XX Interactive Featr.
1	940XCDROM	8XX	CD-ROM Drive
1	940XDVDRA	8XX	DVD-RAM Drive
Note: Minimum OS/400 level required is V5R1M0			
71	940XHAD	820	High Availability DASD
This quantity depicts the number of SMA High Availability Dasd units used to obtain the customer dasd requirement. This is not to be confused with the total usable dasd in gigabytes which is listed at the top of the Proposal.			
1	940X/4487	XXX	50GB .25" Cartidge Tape Unit Prerequisite: OS/400 V5R1 or later
1	6XXX	X12	1200 LPM Line Printer
4	318X/319X	000	Operator Console A PC with Operations Console - LAN Connect/direct connect may be substituted instead of a Twinax WkStn for the primary System Console or partition (LPAR) console on iSeries (8xx) contracts When system is LPAR-ed a maximum of one (318X/319X 000 or RMT/CONS LPAR) per LPAR is supported.
1	940XTWIN	8XX	Twinax WkStn Cntrlr A 100/10 Ethernet IOA may be substituted for Twinax WkStn Cntrlr to support Operations Console - LAN Connect
1	940X/COMM	8XX	Comm Adapter-Port RS232/V.24
1	940X/V.35	8XX	Comm. Adapter-Port V.35
2	940X/2838	XXX	PCI 100/10Mbps Ethernet IOA
2	7855	010	Modem V.32/V.42 1.2-12.0Kbps

Network Lines:

8	Line	000	Analog Dial Line
---	------	-----	------------------

Non-IBM Equipment: NONE

**Amendment to IBM Customer Agreement
Attachment for Multivendor Information Technology Recovery Services**

Name and Address of Customer:
CITY OF GRAND ISLAND

100 E 1ST
GRAND ISLAND, NE 68801-5971

Referenced Agreement No.: HQ12291
Supplement No.: P09208
Customer No.: 3871230
Enterprise No.: 3871230

IBM Address:
Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

Additional Supplement Numbers:

CITY OF GRAND ISLAND (you) and International Business Machines Corporation (IBM) agree that the following terms and conditions amend the IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services specifically for the above Supplement Number(s) as follows:

1. In Section 7, "Other Terms", after the subsection "Notification", insert the following new subsection:

State & Local Government Terms

Notwithstanding the foregoing, for the Subscription(s) identified by the above Supplement Number(s), IBM will:

- 1) allow you to terminate such Subscription(s) before the start of any fiscal year because funds have not been appropriated by the applicable legislative body; and
- 2) defer any applicable increases in rates and charges until the first invoice cycle of your next twelve-month fiscal year.

2. In Section 7, "Other Terms", at the end of the section, add the following new subsection:

Temporary Transfer of Configurations or Equipment

You have selected a Configuration or certain items of equipment ("TTC" and "TTE" respectively, "TT" collectively) that IBM will, on your request, transfer to a location you choose, within the United States (except Alaska and Hawaii), for your temporary use during an Event. Eligibility of TT for transfer by type of Event is specified in a Supplement. If such Event is associated with your declaration of an Outage Emergency, the Initial Recovery Charge will apply once you provide IBM the address of the location to which TT is to be shipped.

IBM Responsibilities - Temporary Transfer: IBM will:

- 1) after you Declare and at your request, ship eligible TT to arrive at the location you specify within forty-eight (48) hours of such request;
- 2) in advance of your scheduled Recovery Exercise, at your request, ship eligible TT to the location you specify;
- 3) provide service and support, at no additional charge, to enable TT to operate according to specifications; and
- 4) bear the risk of loss except for theft or vandalism of TT at the location you specified, unless such loss is caused by IBM's employee(s).

Your Responsibilities - Temporary Transfer: When IBM transfers TT to you, you agree to:

- 1) use TT for Event purposes only;
- 2) return TT to the IBM-designated location promptly at the end of a Recovery Exercise, or no later than six weeks from the time you Declare, whichever applies;
- 3) furnish all labor for unpacking and packing the TT;
- 4) obtain IBM's written consent prior to moving TT to a location other than the location to which it was delivered;
- 5) provide written notice to IBM before you make an alteration to any part of the TT. You may make an attachment without notifying IBM.

An attachment is the connection of any other product or device to the TT. An alteration is any change made which deviates from the physical, mechanical, electrical, or electronic design, whether or not additional devices or parts are used. You may not make an alteration or attachment that creates a safety hazard or renders maintenance of the TT impractical. You are responsible for the results obtained from both alterations and attachments made by you;

- 6) remove attachments and restore TT to an unaltered condition, before returning the TT to IBM; and
- 7) return TT to IBM in the same condition as when the TT was delivered to you, normal wear and tear excepted.

Temporary Transfer - Charges: If, on your request, IBM transfers TT to a location you choose, in addition to other charges you may incur under this Attachment, you agree to pay:

- 1) all shipping charges, taxes, tariffs and insurance charges incurred for shipment to such location and return to IBM; and
- 2) daily or other usage or Event charges specified in a Supplement and identified as applicable to Temporary Transfer Configurations or Equipment; and
- 3) other charges you incur by your use of TT at the location you chose.

If there is a conflict between the terms and conditions of this Amendment including its attached Addendum, Supplements, and Statement of Work and the 1) IBM Customer

Agreement, 2) its Attachment for Multivendor Information Technology Recovery Services, or 3) its Supplement(s) for Multivendor Information Technology Recovery Services, those of this Amendment and its attached Addendum, Supplements, and Statement of Work prevail. Except as modified by this Amendment and such attached documents, the terms and conditions of such Agreement, Attachment, and Supplement(s) for Multivendor Information Technology Recovery Services remain in full force and effect.

Each party acknowledges that it has read this Amendment and any applicable attached Addenda, Supplements, and Statements of Work, understands them, and agrees to be bound by their terms and conditions. Further, both parties agree that the complete agreement between the parties about Multivendor Information Technology Recovery Services will consist of 1) this Amendment including its applicable Addendum(a), Supplement(s), and Statement(s) of Work, and 2) the IBM Customer Agreement and its applicable Attachment and Supplement(s) for Multivendor Information Technology Recovery Services. This statement of the agreement supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to the subject.

Agreed to:
CITY OF GRAND ISLAND

Agreed to:
International Business Machines
Corporation

By _____
Authorized Signature

By _____
Authorized Signature

Name (Type or Print) Date

Name (Type or Print) Date

RESOLUTION 2006-76

WHEREAS, the City of Grand Island has an IBM AS400 computer system which contains the Utility Department's customer base and billing software; and

WHEREAS, such computer system is routinely backed up for disaster recovery purposes by a business recovery contract with IBM; and

WHEREAS, such contract is scheduled to expire soon; and

WHEREAS, a new contract has been negotiated with IBM to continue providing such business recovery services at a lower monthly rate; and

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

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the three-year contract with IBM to provide business continuity and recovery services for the City's AS400 computer system is hereby approved; and the Mayor is hereby authorized and directed to execute such agreement on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, March 7, 2006.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
March 2, 2006	☐ City Attorney