FOR CLERK USE ONLY
City Council
Item No. 13

CITY COUNCIL AGENDA
FACT SHEET

Finance
Department

16-Feb-10
Requested Date

1. **Request:**

Council Approval	[X]	Information Only/ Presentation	[ ]
Other (specify)	[ ]	Hearing	[ ]

2. **Requested Action:**

Authorize the City Manager to enter into a contractual agreement with W-PNP, Inc. for Information Technology Services for 3 years beginning February 17, 2010 at approximately $4,000 per month, with an option to renew for 2 additional years, plus approximately 20 hours per month for a special standardization services plan at $50 per hour.

3. **Fiscal Impact:**

Revenue:	Increase	[ ]	Source:	
	Decrease	[ ]	Amount:	
Cost:	Increase	[ ]	Source:	
	Decrease	[ ]	Amount:	

Does Not Apply [X] Revenue/appropriations already budgeted for FY 2009-10

4. **Reviewed By:**

Finance Dept. on 1/25/2010 By: Jhashem
Comments:

City Attorney on _____ By: _____
Comments:

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY:

CITY COUNCIL DATE: _____

Action	[ ]	Filing	[ ]
Consent	[ ]	Presentation	[ ]
Hearing	[ ]	Other(specify)	[ ]

Reviewed by: City Clerk _____ City Manager _____
Date _____ Date _____

Form FIN038 (Revised 02/2008)

CITY COUNCIL
AGENDA REPORT

SUBJECT: W-PNP, Inc. Information Technology Services Agreement

AGENDA DATE: February 16, 2010

PREPARED BY: Judith Hashem, Finance Director

APPROVED BY: Victor M. Carrillo, City Manager

RECOMMENDATION:
The City Council is requested to take the following actions:

1. Authorize the City Manager to enter into a contractual agreement with W-PNP, Inc. to provide information technology services for 3 years beginning February 17, 2010 at approximately $4,000 per month, with an option to renew for 2 additional years, plus approximately 20 hours per month for preparation of a standardization services plan at $50 per hour.

FISCAL IMPACT:
An agreement has been reached, that if approved by City Council will provide information technology services to all City departments at a fixed cost of $50 per hour for approximately 80 hours per month or $4,000. In addition W-PNP, Inc. will provide the City with a standardization plan at a separate fee of $50 per hour for an additional 20 hours of work for the first 3-4 months of the contract in order to maximize the IT resources, enhance efficiency, security, and technological sophistication.

BACKGROUND:
The City contracted with Daker's Computer Express from December 2004 until September 2009 for information technology services with that firm.

The Finance Department advertised for Request for Proposals in December 2009 and the following firms responded:

- GigaKOM
- Vasqo Technologies
- W-PNP, Inc.

After review and evaluation of the needs of the City's Information Technology Department by staff and based on the interview and proposers ability to meet the requirements of the RFP, we have determined that W-PNP, Inc. most fully met the requirements of the Request for Proposals. City departments have past experience in working with this firm and we believe W-PNP, Inc. can best serve our technology needs at this time. GigaKOM did not provide sufficient information and therefore did not substantially address the RFP and secondly they are located in Bonita and San Diego, which means a large part of the services to be provided would be via remote access. Vasqo Technologies is located in El Centro, however, the cost structure makes this firm's proposal prohibitively expensive for the City.

The Information Technology Department, as an internal service fund, is self-supporting. This means it operates based on user charges to supporting departments. As an internal service fund each department is charged for the services it receives, including access to information on the server, repairs to equipment, software replacement/updates, anti-virus protection, system backups, user licenses, infrastructure reserves, etc. The technology budget for Fiscal Year 2009-10 is $134,629 with a balance remaining of $105,397, which is sufficient to pay for the contract with W-PNP, Inc. for the balance of the fiscal year. In addition to the contractual services, this budget includes electricity and building maintenance of the Information Technology Office, office expense, computer maintenance and supplies, telephone service, user licenses and any capital items, such as a new server.

W-PNP, Inc. has quoted a fair price for its services and we believe, because of their expertise and local presence in Calexico, that we will obtain the best service at the best price. Therefore, we are recommending the City Council authorize the attached contract with W-PNP, Inc. for a period of 3 years, with an option to renew for an additional 2 years.

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement is made and entered into as of the ~~15th~~ 17th day of February, 2010, by and between the City of Calexico ("City") and W-PNP, Inc., ("Consultant").

RECITALS

A. Consultant is specially trained, experienced and competent to perform the special services which will be required by this Agreement; and

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement on the terms and conditions described herein.

AGREEMENT

1. Scope of Services. The Consultant shall furnish the following services in a professional manner. Consultant shall perform the services described on Exhibit A which is attached hereto and incorporated herein by reference. Consultant shall provide said services at the time, place, and in the manner specified in Exhibit A, subject to the direction of the City through its staff that it may provide from time to time.

2. Time of Performance. The services of Consultant are to commence upon execution of this agreement and shall continue except as provided in Section 21 below.

3. Compensation. Compensation to be paid to Consultant shall be in accordance with the Schedule of Charges set forth in Exhibit B, which is attached hereto and incorporated herein by reference. In no event shall Consultant's compensation exceed $55,000 per year beginning on February 17, 2010 and ending on February 16, 2013, without additional authorization from the City. Work authorized by the City in excess of the 80 hours included in the fixed monthly cost shall be charged at the rate of $50 per hour. Payment by City under this Agreement shall not be deemed a waiver of defects, even if such defects were known to the City at the time of payment.

4. Method of Payment. Consultant shall submit monthly billings to City describing the work performed during the preceding month. Consultant's bills shall include a brief description of the services performed, the date the services were performed, the number of hours spent and by whom, and a description of any reimbursable expenditures. City shall pay Consultant no later than 30 days after approval of the monthly invoice by City staff for all work performed, inclusive of any additional work authorized by the City in excess of the $4,000 fixed monthly cost.

5. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents and subcontractors in the course of implementing this Agreement, except working notes and internal documents, shall become the

property of the City upon payment to Consultant for such work, and the City shall have the sole right to use such materials in its discretion without further compensation to Consultant or to any other party. Consultant shall, at Consultant's expense, provide such reports, plans, studies, documents and other writings to City upon written request.

6 Independent Contractor. It is understood that Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the City. Consultant shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and Consultant hereby expressly waives any claim it may have to any such rights.

7. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have any investment or interest in property and shall not acquire any interest, direct or indirect, in the area covered by and during this Agreement or any other source of income, interest in property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that in the performance of its duties hereunder no person having any such interest shall perform any services under this Agreement.

Consultant is not a designated employee within the meaning of the Political Reform Act because Consultant:

a. will conduct research and arrive at conclusions with respect to his/her rendition of information, advice, recommendation or counsel independent of the control and direction of the City or of any City official, other than normal agreement monitoring; and

b. possesses no authority with respect to any City decision beyond rendition of information, advice, recommendation or counsel. (FPPC Reg. 18700(a)(2).)

8. Professional Ability of Consultant. City has relied upon the professional training and ability of Consultant to perform the services hereunder as a material inducement to enter into this Agreement. Consultant shall therefore provide properly skilled professional and technical personnel to perform all services under this Agreement. All work performed by Consultant under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Consultant's field of expertise.

9. Indemnity. Consultant agrees to defend, indemnify and hold harmless the City, its officers, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses in connection therein), arising out of the performance of this Agreement, except for any such claim arising out of the sole negligence or willful misconduct of the City, its officers, agents, employees or volunteers.

10. Insurance Requirements.

a. Consultant, at Consultant's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies.

i. Workers' Compensation Coverage. Consultant shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his/her employees in accordance with the laws of the State of California. In addition, Consultant shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the City at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against City, its officers, agents, employees and volunteers for losses arising from work performed by Consultant for City. This provision shall not apply if Consultant has no employees performing work under this Agreement. If the Consultant has no employees for the purposes of this Agreement, Consultant shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto as Exhibit C.

ii. General Liability Coverage. Consultant shall maintain commercial general liability insurance in an amount not less than one million dollars ($1,000,000) per occurrence for bodily injury, personal injury and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. Consultant shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired and non-owned vehicles, in an amount of not less than one million dollars ($1,000,000) combined single limit for each occurrence.

b. Policy Endorsements. Each general liability and automobile liability insurance policy shall be with insurers possessing a Best's rating of no less than A:VII and shall be endorsed with the following specific language:

i. The City of Calexico, its elected and appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the

Consultant, including materials, parts or equipment furnished in connection with such work or operations.

ii. This policy shall be considered primary insurance as respects the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have, shall be considered excess insurance only and shall not contribute with it.

iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.

iv. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.

v. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days written notice has been received by the City.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the City's option, Consultant shall demonstrate financial capability for payment of such deductibles or self-insured retentions.

d. Certificates of Insurance and Endorsements. Consultant shall provide certificates of insurance with original endorsements to City as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the City on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement.

11. Compliance with Laws. Consultant shall use the standard of care in its profession to comply with all applicable federal, state and local laws, codes, ordinances and regulations.

12. Licenses. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required of Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, insurance and approvals which are legally required of Consultant to practice its profession.

13. Controlling Law Venue. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Imperial, California.

14. Notification.

Written Notice: Any notice, demand, request, consent, approval or communication, with the exception of work order requests by the City, that either party desires or is required to give to the other party shall be in writing and either served personally or sent prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth herein below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within 48 hours from the time of mailing if mailed as provided in this section.

If to City:
City of Calexico, City Manager
608 Heber Ave.
Calexico, CA 92231

If to Consultant:
Juan R. Pena, President
W-PNP, Inc.
P. O. Box 2792
Calexico, CA 92232

Work Order Requests: Any communication for requests for service during regular business hours from 8 a.m. to 5 p.m. shall be provided to consultant by email as follows:

support@wpnp.net

or by opening an "e" ticket on the W-PNP website to automatically send the order and receive confirmation and ticket number for the work order at:

http://wpnp.net/helpdesk/

Consultant shall respond to work order requests within one (1) hour during normal working hours. In an emergency situation the following numbers shall be called for minimum response time:

1-760-427-1777
1-760-427-2336

After hours designated from 5 p.m. to 8 a.m. and on weekends, the City shall contact the Consultant by telephone at the following designated numbers:

Juan R. Pena
jrpena@wpnp.net
1-760-357-3335
1-760-427-2336

Mark Perrone
1-760-427-1777

The acceptable response time on weekends and after hours shall be a maximum of two (2) hours.

15. Consultant's Books and Records.

a. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to City for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Consultant to this Agreement.

b. Consultant shall maintain all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

c. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Manager, City Attorney, City Auditor or a designated representative of these officers. Copies of such documents shall be provided to the City for inspection at City Hall when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at Consultant's address indicated for receipt of notices in this Agreement.

d. Where City has reason to believe that such records or documents may be lost or discarded due to dissolution, disbandment or termination of Consultant's business, City may, by written request by any of the above named officers, require that custody of the records be given to the City and that the records and documents be maintained in City Hall. Access to such records and documents shall be granted to any party authorized by Consultant, Consultant's representatives, or Consultant's successor-in-interest.

16. Entire Agreement. This Agreement constitutes the complete and exclusive statement of Agreement between the City and Consultant. All prior written and oral communications, including correspondence, drafts, memoranda, and representations, are superseded in total by this Agreement.

17. Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City and approved as to form by the City Attorney.

18. Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.

19. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least

one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

20. Assignment and Subcontracting. The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Consultant. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express consent of the City. Consultant shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the City. If City consents to such subcontract, Consultant shall be fully responsible to City for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between City and subcontractor nor shall it create any obligation on the part of the City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.

21. Termination. This Agreement may be terminated immediately for cause or by either party without cause upon thirty (30) days written notice of termination. Upon termination, Consultant shall be entitled to compensation for services performed up to the effective date of termination.

///

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

CITY OF CALEXICO:	CONSULTANT:
_____	_____
Victor M. Carrillo City Manager	
APPROVED AS TO FORM:	ATTEST:
_____	_____
Jennifer M. Lyon City Attorney	Lourdes Cordova City Clerk

EXHIBIT A
SCOPE OF SERVICE

- Development of an information system long-term strategic plan
- Virus detection, eradication and prevention
- Management and solutions regarding printers
- On-site problem resolution
- Ongoing Technical advice, training and guidance
- Management of Internet connections
- E-mail access and support
- Preventative maintenance

Scope of Work:

1. Initial Assessment
2. Compile/update inventory of all departmental information technology related assets
3. Applications Support
4. Server Administration Services
   - Centralized file storage
   - Setup Active Directory for City-wide

5. Network Administration Services:
   - City-wide data communications networking
   - MOM Financial software available on city-wide
   - Network security is compromised by multiple Internet connections

6. Security
7. Assist Management in developing a formal Disaster Recovery Plan
8. Strategic Planning
9. System design will consider various alternatives, including:
   - -System architecture options, including distributed, centralized and client/server
   - -Integration with other systems
   - -Re-use or replacement of existing hardware
   - -Alternative hardware platforms
   - -Information systems standards
   - -Office automation standards and architecture
   - -Public access
   - -Remote access
   - -Archive imaging
   - -Security issues
   - -Use of the Internet and World Wide Web
   - -Use of document imaging to reduce paper flow
   - -Staff training
   - -Integration of GIS system

EXHIBIT B
SCHEDULE OF CHARGES

This is the Schedule:

	COST PER HOUR	HOURS PER MONTH	SUBTOTAL	EXTRA HOURS PER MONTH	TOTAL
February	$50.00	80	**$4,000.00**	20	**$5,000.00**
March	$50.00	80	**$4,000.00**	20	**$5,000.00**
April	$50.00	80	**$4,000.00**	20	**$5,000.00**
May	$50.00	80	**$4,000.00**	20	**$5,000.00**
June	$50.00	80	**$4,000.00**	-	**$4,000.00**
July	$50.00	80	**$4,000.00**	-	**$4,000.00**
August	$50.00	80	**$4,000.00**	-	**$4,000.00**
September	$50.00	80	**$4,000.00**	-	**$4,000.00**
October	$50.00	80	**$4,000.00**	-	**$4,000.00**
November	$50.00	80	**$4,000.00**	-	**$4,000.00**
December	$50.00	80	**$4,000.00**	-	**$4,000.00**
January	$50.00	80	**$4,000.00**	-	**$4,000.00**
Total Annual Cost (considering standardization)					**$55,000.00**

Fixed monthly cost for 80 hours of technician labor and on-call service for a flat fee of $50 per hour.

COST PER HOUR	HOURS PER MONTH	TOTAL COST PER MONTH
$50.00	80	$4,000.00

The standardization plan we have presented via this document would help enormously with the better utilization of the IT division. Based on our previous experience of service to the city, we decided to create the plan that would increase the value of our services and be cost-effective.

The cost of the standardization plan is not part of the monthly service fee. We will provide twenty hours extra of service per month for the first three to four months, to complete the standardization plan we have developed. This will provide us with the opportunity to continue our daily IT responsibilities and also complete the evaluation at a shorter period of time.

COST PER HOUR	EXTRA HOURS PER MONTH	TOTAL COST PER MONTH	3 MONTHS	OR 4 MONTHS
$50.00	20	$1,000.00	**$3,000.00**	**$4,000.00**

Extra hours of this contract will be cost at same flat fee of $50 per hour.

EXHIBIT C

CERTIFICATE OF EXEMPTION FROM WORKERS' COMPENSATION INSURANCE

I hereby certify that in the performance of the work for which this Agreement is entered into, I shall not employ any person in any manner so as to become subject to the Workers' Compensation Laws of the State of California.

Executed on this _____ day of _____, 2010, at_____, California.

_____

Consultant