

WEST BASIN MUNICIPAL WATER DISTRICT**JUNE 29 2006 – Board Meeting**

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Approved by: Rich Nagel

ACTION CALENDAR

WEST BASIN INFORMATION TECHNOLOGY (IT) SERVICES
CONTRACT AMENDMENTSUMMARY:

Currently, West Basin outsources its Information Technology (IT) needs with Slice of Orange with four (4) days onsite support and remote access. This service is shared with Central Basin, and the contract is set to expire June 30, 2006.

In February 2006, the Board exercised its option to terminate the shared staff services as of July 1, 2006. Subsequent to that decision that Joint Administrative Committee indicated that contracts of shared interest should continue on a month-to-month basis until decisions about the separation could be determined. However, the need to seek IT services became a necessity when the IT support staff with Slice of Orange was offered employment by Central Basin in early May 2006. Slice of Orange indicated that since the support staff would have full-time employment with Central Basin that they would not be able to continue service after June 30.

Management identified the need to expedite a process to locate IT services firm and have a firm on board prior to the separation of shared services. This would allow the transfer of knowledge regarding the workstation and server setup, firewalls, routers, active directories, exchange, and backup procedures, and be able to stand-alone when the new fiscal year begins. In addition, it was noted that the continuation of outsourcing the IT needs was most appropriate at this time. West Basin would continue with the four (4) days onsite support and remote access when necessary.

A formal process would have taken a minimum of two months to complete and would have left West Basin without this critical service as of July 1, 2006. As such, staff followed the District's procurement policy and used the informal solicitation process. This allowed the General Manager to award an agreement quickly under his authority (\$25,000).

To locate IT firms, West Basin staff obtained several names through a peer organization. Due to the immediate need to obtain this service, staff identified several firms and invited them in for an interview. Staff identified several local firms that would be able to provide the service and be close enough to assist the District on off days or weekends. Interviews were conducted on May 26, 2006. The five member interview panel consisted of three staff members and Albert Plimpton, IT Support, Slice of Orange; and David Edwards, MIS Manager, Metropolitan Water District.

Each firm was asked the same questions and given an overview of the District's needs. The five firms interviewed are as follows:

Sach & Associates: Owner very knowledgeable and has background in working with banks. He understands 24/7 up-time and security concerns. 18 staff of varying levels. Sach's understands the District's environment.

Plexus: Small Company located in Woodland Hills with 4-5 staff employed year round. Staff has big business experience. Outsource when necessary. Plexus prefers remote access to solve IT questions and issues. Response time could be several hours.

Vector Resources: Is a large company located in Torrance and appears to have well experience staff. Their business model is to have customers call in issues and start a trouble ticket. The trouble ticket would be routed to the designated staff and billed in 15-minute increments. The company would remote access into the customer's workstation to resolve the problem. Vector would dispatch to the site if the issue could not be resolved remotely.

Prosum Technology Services: A full service technology firm that offers several sections to assist in IT strategic planning, support services, and security servers and infrastructure solutions. Support services section has 30 dedicated IT professionals of varying experience levels. Currently provides IT support to the City of Hermosa Beach and the City of El Segundo. Their business model provides the customer with a flexible IT schedule in which the customer informs the frequency and level of support needs and they arrange it accordingly. Prosum team appeared knowledgeable and familiar with the District's infrastructure.

Virtual CTO: A small 7-person firm that outsources when necessary. President seemed familiar with the District's infrastructure. Since the firm is small, they prefer to provide remote access with limited onsite access.

Overall, Sach & Associates and Prosum Technology Services appeared most knowledgeable and versatile. However, the panel felt that Prosum Technology demonstrated a clearer understanding of the District's needs and with its flexible IT support services would be able to provide multiple staff on varying days to provide the appropriate server and desktop support. Staff contacted its references and obtained favorable responses.

Continuation of Services

Prosum began providing IT support on June 12, 2006. In addition, to contracting for IT support services; West Basin also needed to setup the new network servers. As this work comes at the time of transition for West Basin stand-alone, staff is recommending that Prosum take the lead in the server setup and configuration and utilize Al Plimpton, still under contract with Slice of Orange, for support services. This allows Prosum to configure the servers as they would manage it and mitigate the number of changes that may need to happen if Al Plimpton would take the lead and handed it over to Prosum effective July 1.

Prosum has provided a knowledgeable team and is extremely responsive to West Basin's needs by providing a third person whose sole function is to setup the network servers. Prosum is well organized and has provided West Basin with a dedicated account manager and two IT support staff.

WBMWD Board Memorandum
June 29, 2006

It is anticipated that the initial \$25,000 will be exhausted by late July 2006. To continue to evaluate Prosum's technology ability and flexible IT scheduling, staff is recommending that the Board approve continuation of their services on a month-to-month basis until December 31, 2006. In addition, staff can evaluate the appropriate level of outsourcing through onsite support, remote access or a combination of both approaches. Staff estimates that the level of service required from August through December 2006 will approximately \$75,000.

Staff will continue to monitor these services and provide appropriate updates to Board.

FISCAL IMPACTS:

Funds are included within the Operating Budget for FY 2006-07.

ENVIRONMENTAL COMPLIANCE:

Not required.

COMMITTEE STATUS:

This item was not reviewed by a Committee.

RECOMMENDED MOTION:

Authorize the General Manager to sign an amendment to contract #W1757 with Prosum Technology Services until December 31, 2006 on a month-to-month basis for a total amount not-to-exceed \$100,000.

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