

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

_____ Resolution or Ordinance (Blue)
_____ Recommendations of Boards, Commissions & Committees (Green)
 X Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: David A. Hulseberg, Village Manager

DATE: March 5, 2012 (COW)(B of T) Date March 15, 2012

TITLE: A Motion Authorizing Execution of a Three (3) Year Extension to the Agreement with Prescient Development, Inc. for Technical Support Services.

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

Staff recommends that the Village award a three year extension to the contract with Prescient Solutions for IT Technical Support Services in accordance with the terms of the attached agreement. First year costs for the services will be \$353,507.04.

Review (as necessary):

Village Attorney X Date _____
Finance Director X Date _____
Village Manager X Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



To: David A. Hulseberg, Village Manager
From: Timothy Sexton, Director of Finance
Date: March 5, 2012
Subject: Prescient Development Contract Extension

In March 2007 a major decision was made to restructure the IT Division of Finance to improve efficiency and productivity. The decision was to reduce the IT staff to two (2) full time employees and contract for two (2) employees from Prescient Development, Inc. The diversity of Prescient has allowed the Village to reduce the IT staff from six (6) employees to the current level of two (2) employees and (2) staff members from Prescient, despite the significant increase in technology used throughout the Village.

The benefits of contracting with Prescient are similar today as they were five years ago. The company has increased from 50 to 85 technical professionals with diverse skill sets available to assist on any projects as needed. Over the past five years the Village has leveraged this benefit on projects that included major phone upgrades, implementation of and conversion to Microsoft Exchange/Outlook, router and switch configuration, web site design above what CivicPlus provides, and currently with the \$1.6M software implementation project.

Additional benefits include:

- 24/7/ support staff always available – If necessary additional staff is made available to cover sick leave or vacation time.
- Technical staff maintains current certifications and training on new technologies.
- Microsoft Gold Partner with large portion of staff certified in Microsoft technologies including Windows Server and Desktop Operating Systems, Microsoft Exchange, Microsoft SQL Server, Microsoft Virtualization, and Development tools.
- TCO(Total Cost of Ownership) is reduced by not having to hire for specialized expertise.
- Burden to hire qualified technical staff is off loaded to Prescient
- 27/7/365 Emergency Service Restoration
- Prescient handles the IT functions for DU-COMM (Village of Lombard's police and fire dispatching center), as well as several other municipalities

As the Finance Department looks at our structure over the next year, it is important to note that the contract allows the Village to terminate the contract for any reason as long as 90 days written notice is given. While we do not anticipate that at this point, it is worth noting in case there are any changes as we review the Finance Department over the coming year.

Therefore, staff recommends that the Village award a three year extension to the contract with Prescient Solutions for IT Technical Support Services in accordance with the terms of the attached agreement. First year costs for the services are \$353,507.04, and the two following years will increase by whatever cost of living increase that non-union Village employees receive.

**ADDENDUM TO THE
CONTRACT FOR THE PROVISION OF SERVICES TO
THE VILLAGE OF LOMBARD
BY
PRESCIENT DEVELOPMENT, INC.
EFFECTIVE APRIL 5, 2012**

THIS ADENDUM, made and entered into as of the date of the last signature hereto, supplements and amends the Contract for the Provision of Services between The Village of Lombard (“Lombard”) and Prescient Development, Inc. (“Prescient” and “Prescient Solutions”) dated April 5, 2007 (hereinafter the “Contract”).

This Addendum describes the new terms under which The Village of Lombard will pay Prescient. The terms of this Addendum and the terms of the Contract as amended by this Addendum will also govern the provision of the new payment amounts. In connection with the original payment amounts described in the Contract, the Contract shall remain in full force and effect as stated in “Attachment “A”, section “Agreement Dates & Payment Schedule”.

All of the capitalized terms not otherwise defined in this Addendum have the same meaning as contained in the Contract. The following sections or paragraphs replace or are in addition to the respective sections or paragraphs contained in the Contract. Wherever discrepancies, modifications or revocations appear, the terms contained in this Addendum shall prevail, any language in the Contract to the contract notwithstanding. The sections or paragraphs of the Contract that are not expressly replaced by this Addendum shall remain in effect for this project pursuant to their terms.

SECTION 4.0 TERM & TERMINATION

SECTION 4.1 The Term of the agreement has been extended for 3 years (36 months), with a contract start date of April 5, 2012 and an ending date of April 4, 2015.

ATTACHMENT “A” SECTION “Prescient Resources – Additional Resources” page 1

Resource Type – Network Administrator Rate \$110.50 per hour
Resource Type – Senior Network/Server Engineer Rate \$138.50 per hour
Resource Type – WAN/Firewall/Security Engineer Rate \$165.00 per hour

ATTACHMENT “A” SECTION “Agreement Dates & Payment Schedules” page 2

The contract to perform the Scope of Work as defined above will run over a three (3)-year contract period with monthly payments of \$29,458.92 for year one (1). Total cost of services will be \$353,507.04 for year one (1). Over the course of the project monthly payments will be made to Prescient at the beginning of each month for services to be provided during the month.

The contract start date is April 5, 2012 and the contract end date will be April 4, 2015.
Payments for year one (1) of the contract will be paid as follows:

April 16, 2012	\$ 29,458.92
May 16, 2012	\$ 29,458.92
June 16, 2012	\$ 29,458.92
July 16, 2012	\$ 29,458.92
August 16, 2012	\$ 29,458.92
September 16, 2012	\$ 29,458.92
October 16, 2012	\$ 29,458.92
November 16, 2012	\$ 29,458.92
December 16, 2012	\$ 29,458.92
January 16, 2013	\$ 29,458.92
February 16, 2013	\$ 29,458.92
March 16, 2013	<u>\$ 29,458.92</u>
1st Year Total	\$ 353,507.04

Years two (2) and three (3) of the contract will follow the above referenced payment schedule with annual increases provided for the cost of living adjustment (COLA) as defined by a mutually agreed upon authority for the Chicago Metropolitan area. Additionally, the time and material rates for years 2 and 3 will also be increased annually based on the same mutually agreed upon COLA. However, by agreement of both parties the annual amount may be increased or decreased at the semi-annual and annual reviews based on a reassessment of resources, changing market conditions, or addition of new projects.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

THE VILLAGE OF LOMBARD
An Illinois municipality

PRESCIENT DEVELOPMENT, INC.
an Illinois corporation

Authorized Signature

Authorized Signature

Name: _____

Name: James Lagattuta

Title: _____

Title: CEO

Date: _____

Date: _____