

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: Scott Niehaus, Village Manager

DATE: March 26, 2018 (COW)(B of T) Date April 5, 2018

TITLE: Request Waiver of Bid and Authorization to Execute 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 is requesting a waiver of bid and authorization to execute a three (3) year extension to the agreement with Prescient Development, Inc. for Technical Support Services in accordance with the terms of the attached agreement.

First year costs for their services will be \$512,139. This is an increase of \$10,041.96 (2%) compared the current annual cost of \$502,097.04. The Prescient contract will increase annually by the non-union employee COLA increase from the previous January.

Review (as necessary):

Village Attorney X \_\_\_\_\_ Date \_\_\_\_\_  
Finance Director X *JP* \_\_\_\_\_ Date \_\_\_\_\_  
Village Manager X *Scott Niehaus* \_\_\_\_\_ Date 3/29/18

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: Scott Niehaus, Village Manager

From: Timothy Sexton, Director of Finance

Date: March 26, 2018

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 allowed the Village to reduce the IT staff from six (6) employees to the level of two (2) employees and (2) staff members from Prescient, despite the significant increase in technology used throughout the Village.

In 2013, the Village's IT Manager retired and the Board approved increasing the contract to a level of three (3) staff members from Prescient. Prescient assumed the role of IT Manager. The annual savings was \$59,446 compared to the IT Manager's salary in 2013.

The Finance Department will look at our IT staffing structure over the next few months, due to the retirement of the Village's PC Technician in May. It is important to note that at any time during the contract period, the annual contract amount and the number of core resources may be increased or decreased based upon a reassessment of resources, changing market conditions or the addition and/or elimination of projects and responsibilities. In addition, the contract allows the Village to terminate the contract for any reason as long as 90 days written notice is given.

The Village has had a successful relationship with Prescient over the past eleven years. Prescient currently has 120 technical professionals with diverse skill sets available to assist on any projects as needed. 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, infrastructure upgrades, mobile and asset management, the \$1.6M software implementation project, and cyber security.

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

Staff requests that the Village Board approve a waiver of bid and authorization to execute a three (3) year extension to the agreement with Prescient Development, Inc. for Technical Support Services. First year costs for the services are \$512,139, and the two following years will increase by the non-union employee cost of living increase from the previous January.

**ADDENDUM TO THE  
CONTRACT FOR THE PROVISION OF SERVICES TO  
THE VILLAGE OF LOMBARD  
BY PRESCIENT DEVELOPMENT, INC.  
EFFECTIVE APRIL 5, 2018**

**THIS ADDENDUM**, made and entered into as of the date of the last signature hereto, supplements and amends the Services Agreement between The Village of Lombard ("Lombard") and Prescient Development, Inc. ("Prescient") 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 B".

All of the capitalized terms not otherwise defined in the 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. In the event of conflict between this Addendum and the Contract, the terms contained in this Addendum shall prevail. 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 3                    RESPONSIBILITIES OF PRESCIENT**

Section 3.8 Prior to the placement of a full-time consultant, Lombard shall have the right to interview and approve of said consultant. Such approval shall not be unreasonably withheld.

**SECTION 4                    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, 2018 and an ending date of April 4, 2021.

**SECTION 8                    NOTICE AND EXECUTION**

Section 8.2 Execution. The Parties agree to the use of a facsimile machine (fax) or an electronic signature (e-signature) in the execution of this agreement and any attachments, addenda and exhibits related thereto. Any signed document transmitted by fax, e-signature or a scanned version of the original shall be treated in all manner as the original document. Likewise, the signature of any Party on any document transmitted by fax, e-signature or a scanned version of the original shall be treated in all manner as the original signature. Any and all such documents and signatures shall be considered to have the same binding legal effect of the original. No Party shall raise as a defense the use of fax, e-signature or the scanned use of the original document or signature.

**Attachment B Section “Additional Resource Rate Structure”**

Resource Type – Network Administrator Rate \$120.00 per hour

Resource Type – Senior Network/Server Engineer Rate \$151.80 per hour

Resource Type – WAN/Firewall/Security Engineer Rate \$181.30 per hour

**Attachment B Section “Contract Dates and Payment Schedule”**

The term of the Agreement is for 3 years (36 months), with the contract start date of April 5, 2018 and an ending date of April 4, 2021. Monthly payments will be made to Prescient at the beginning of each month for services to be provided during the current month. Payments for Year One (1) of the contract will be paid as follows:

April 5, 2018	\$ 42,678.25
May 5, 2018	\$ 42,678.25
June 5, 2018	\$ 42,678.25
July 5, 2018	\$ 42,678.25
August 5, 2018	\$ 42,678.25
September 5, 2018	\$ 42,678.25
October 5, 2018	\$ 42,678.25
November 5, 2018	\$ 42,678.25
December 5, 2018	\$ 42,678.25
January 5, 2019	\$ 42,678.25
February 5, 2019	\$ 42,678.25
March 5, 2019	\$ 42,678.25
1 <sup>st</sup> Year Total	\$512,139.00

However, the contract provides for an annual increase based on a cost of living adjustment (COLA). By agreement of the parties, the percentage increase shall be defined as the percentage increase provided to non-union Village of Lombard employees each preceding January. An Annual Contract Review shall take place on a date that is no less than 90 days prior to the Agreement Anniversary Date. The Agreement Anniversary Date means the anniversary of the Effective Date of the Agreement.

After the 3<sup>rd</sup> year of the contract, Lombard shall have the option to extend the Support Services Agreement for an additional three (3) year period. The additional Support Services term shall be on the same terms and conditions as the original Support Services Term. In the event Lombard elects to exercise its option for the Additional Term, it shall provide written notice to Prescient no less than one hundred eighty (180) days before the expiration of the Support Services Term.

At any time during the contract period, by agreement of the parties, the annual contract amount and the number of core resources may be increased or decreased based upon a reassessment of resources, changing market conditions or the addition and/or elimination of projects and responsibilities.

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

THE VILLAGE OF LOMBARD  
An Illinois municipality

PRESCIENT DEVELOPMENT, INC.  
An Illinois corporation

By: \_\_\_\_\_

By: \_\_\_\_\_  
James Lagattuta

Its: \_\_\_\_\_

Its: CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_