RESOLUTION R-5103

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING AN INTERLOCAL AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES TO BE PROVIDED TO THE CITY OF MEDINA BY THE CITY OF KIRKLAND.

1   WHEREAS, the City of Medina is in need of a comprehensive
2   information technology support team that can maintain its network and
3   servers, keep its personal computers in good running order, answer
4   questions or help staff when necessary, and also assist with other
5   information technology issues like security, training, wiring standards,
6   and planning for the future; and
7
8   WHEREAS, the City of Kirkland is willing to provide such services
9   to the City of Medina; and
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11 WHEREAS, Chapter 39.34 RCW authorizes the parties to enter
12 into an interlocal cooperation agreement to perform any governmental
13 service, activity or undertaking which each contracting party is
14 authorized by law to perform.
15
16 NOW, THEREFORE, be it resolved by the City Council of the City
17 of Kirkland as follows:
18
19 Section 1.   The City Manager is authorized and directed to
20 execute on behalf of the City of Kirkland an interlocal agreement
21 substantially similar to that attached as Attachment "A", which is entitled
22 "Interlocal Agreement for Information Technology Services to be Provided
23 to the City of Medina by the City of Kirkland."
24
25 Passed by majority vote of the Kirkland City Council in open
26 meeting this 3rd day of February, 2015.
27
28 Signed in authentication thereof this 3rd day of February, 2015.

_____
MAYOR

Attest:

_____
City Clerk

INTERLOCAL AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES TO BE PROVIDED TO CITY OF MEDINA BY THE CITY OF KIRKLAND

This Agreement is entered into between the City of Kirkland (Kirkland) and the City of Medina (Medina).

WHEREAS, Medina is in need of a comprehensive IT support team that can maintain its network and servers, keep its PC's in good running order, answer questions or help staff out when necessary, and also assist with other IT issues like security, training, wiring standards, and planning for the future;

WHEREAS, Kirkland is willing to provide that service as provided below;

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. Term of Agreement and Termination:

The initial term of this agreement will be from March 1st, 2015 through December 31st, 2016. It may be renewed thereafter in two-year increments with the written approval of both parties.

Kirkland or Medina may terminate this Agreement at any time, with or without cause, by giving thirty (30) days notice to the other in writing. In the event of termination by Medina, Kirkland shall be entitled to receive just and equitable compensation for any satisfactory work completed on the project prior to the date of termination.

2. Services Provided:

Most general day to day information technology support services are included in a fixed base rate set forth below. These include (but are not limited to):

- Help Desk call resolution.
- Delivery and setup of computers. Includes moving software and files from one computer to another.
- Troubleshooting network connectivity problems, including working with telecommunications providers as necessary.
- Standard planned upgrades of software on servers, network equipment, and desktop computers.
- Patch management for server operating systems to keep them close to the most current patch level. Desktop patch management will be implemented as soon as reasonably possible after it becomes available.
- Monthly reporting on actual time spent and calls resolved.
- The necessary management to assure that contractual obligations are being met.

- An annual hardware and software inventory update.
- Assistance with budget planning for normal upgrades.
- Attendance at hardware, software, and security audits.
- Kirkland reserves the sole discretion to determine whether any services require a site visit and, if such a decision is made, travel time is included in the base fixed rate.

If a question arises about whether or not something is included in the base fixed rate, the general guideline will be labor that is included to perform the work above will also be included in the base rate for this contract, except that in some cases special projects may be included if they fit in the range of hours included in the base contract. Unexpected needs (such as court appearances) will also be billable to Medina.

The base rate will not include:

- Mileage to and from Medina (will be billed quarterly)
- Emergency after-hours support
- Special projects
- Actual cost of hardware and software that Medina owns, and any related maintenance charges
- Costs for repairs paid to a third party (for example, printer maintenance and repair)

Emergency after-hours support will be provided at an hourly rate of 1.5 times the then current regular hourly rate. Any minimums or other work conditions associated with union contracts that affect emergency after hours support will apply to Medina as well. Emergency after-hours support is not guaranteed.

Medina may request special projects. Those will generally either be specialty work not included in the above lists, or unexpectedly high work load due to unusual circumstances. Examples of special projects might be GIS mapping, design and update of a website, help installing a new system that Medina purchases, or advice on wiring plans for a new building. Special projects may cost the same as the Medina normal rate but be billed for separately. In some cases, specialty capabilities may be more expensive. For example, design of a GIS strategic plan (or support to a vendor helping with one) would require Kirkland's GIS Administrator, and would be more expensive per hour.

Special projects will all require mutual agreement and the written pre-approval of both parties. Special projects costing more than $1,000 will be handled as addendums to this agreement. Special projects costing less than $1,000 will be billed directly without requiring a formal addendum to this agreement.

3. Services Not Provided:

Certain projects and type of work are out of scope, which means that they are either not covered under the proposed contract and represent services the City of Kirkland IT department does not plan to offer. At the moment, these things include:

- Support for Medina's phone system.
- Support for the police cars related to mobile technology supported by NORCOM for the City of Kirkland (Kirkland will match the SLA between Kirkland and NORCOM whenever one is approved, which may change this level of service, and may affect Medina's costs at that time). Note that Kirkland WILL assist with New World software installed on Medina computers.
- Searching technology systems for records in response to public records requests, legal holds, or other types of requests. Kirkland staff will provide Medina staff with guidance about how to prepare for and perform such searches, but will not be responsible for carrying out those searches.
- Any form of forensic work for the Police Department on cases. Kirkland IT staff are not trained to do forensics in any way that is likely to stand up in court in a criminal trial.

4. Medina's Responsibilities:

Medina must be willing to have Kirkland staff be the only people allowed to make changes to Medina computers (no Medina staff will have access to local administrator privileges on computers or be able to log into the network with the exception of up to three people who will be provided passwords for use only in emergencies). These are important security measures.

Attend a regular meeting at least once every quarter to assess the success of the working relationships, review the hours to date, and review Medina's experiences with Kirkland support.

5. Cost:

Service will be provided at a base fixed rate for regular ongoing services. The actual cost may be adjusted slightly once the AFSCME contract is approved for the applicable time period and based on the results of a pending salary survey. Hourly rates are estimated to be $106.47 and $111.43 in each year.

2015 (10 months)[1]	2016
$92,274	$116,265

These costs were derived in the following manner:

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[1] If the work starts in a different month, it can be pro-rated up or down.

The initial joint estimate for ongoing services is a half an FTE. The rate resulted from taking total IT department costs and backing out the costs that are only related to Kirkland (like software maintenance for our enterprise systems) and dividing the remaining dollars by the hours that we work. Other cities charge similar rates.

At the end of each year, Kirkland will evaluate its actual expenditures in hours against the contracted hours (currently calculated at 1040 per year) and make an adjustment in the next year's fees if the variation between estimated and actual hours is greater than 10%. Any adjustment in fees, up or down, must be mutually agreed to between the parties. At any point in time, the parties can mutually decide to contract or expand the service and fees to meet budgetary or work-level needs.

This base amount will be billed on a quarterly basis in advance of services rendered. Project work will be billed upon completion.

6. Work Rules:
During the term of this agreement, all Kirkland staff who perform work for Medina will remain employees of Kirkland for purposes of supervision, evaluation, discipline, determining salary, benefits, and all other terms and conditions of employment, as provided in City of Kirkland Policies or the current Collective Bargaining Agreement between Kirkland and AFSCME, as applicable.

7. Contacts:
The Medina City Manager shall appoint a Medina contact. The main point of contact for Kirkland shall be the Network and Operations Manager. Medina Staff will be able to contact the Kirkland Help Desk directly to place normal calls for service.

8. Dispute Resolution:
In the event of any disputes arising under this Agreement, then as a first step, the contact personnel and/or their managers shall meet and confer and attempt to resolve the dispute at the lowest level possible. If the dispute is not resolved at the first step, then the dispute shall be elevated to the City Manager level for both Kirkland and Medina. If mutual agreement cannot be reached within a reasonable amount of time using steps one and two, then either party may initiate litigation.

9. Hardware, Software, and Other Standards:
Kirkland has specific standards associated with hardware and software. Medina agrees to adhere to Kirkland's standards for new hardware and software on a going-forward basis, and acknowledges that some special projects may need to be undertaken during the initial twenty-two month term of this contract in order to bring Medina up to levels that Kirkland can easily support.

10. Indemnification and Hold Harmless:
Medina shall protect, defend, indemnify and save harmless Kirkland, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the acts or omissions of Kirkland staff while performing duties on behalf of or acting under the control of Medina, except for those acts or omissions resulting from the negligence of Kirkland.

Medina further agrees to protect, defend, indemnify and save harmless Kirkland, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the acts or omissions of Medina, its, officers, employees or agents pursuant to, resulting from or arising out of this Agreement. Medina agrees that its obligations under this section extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, Medina, by mutual negotiation, hereby waives, as respects Kirkland only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event Kirkland incurs any judgment, award, and/or cost arising therefrom including attorney's fees to enforce the provisions of this article, all such fees, expenses and costs shall be recoverable from Medina.

11. Insurance:
Medina shall maintain insurance naming the City as an additional insured or self-insurance that is sufficient to protect Kirkland against all applicable risks as set forth in this agreement. Before Kirkland begins to provide this IT support, Medina agrees to provide Kirkland with evidence of insurance coverage with minimum liability limits of ONE MILLION DOLLARS ($1,000,000) for its liability exposure under this agreement, including comprehensive general liability and, to the extent applicable, errors and omissions and auto liability.

12. Confidential Information:
Kirkland may have access to, review, or otherwise obtain knowledge of Medina confidential or privileged information and communications in the course of fixing or working on Medina technology systems. Kirkland staff shall not disclose this confidential or privileged information/communication except as permitted by Medina, as compelled by legal or statutory process, as necessary for dispute resolution or to the Kirkland supervisor or other Kirkland employees only as necessary to fulfill the terms of this agreement.

13. Nature of Relationship:
The agreement shall not be interpreted or construed as creating or evidencing an association, joint venture, partnership or franchise relationship among the parties or as imposing any partnership, franchise, obligation, or liability on any party.

14. Counterparts:
The agreement may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document.

15. Integration Clause:

This agreement, together with attachments or addenda, represents the final and completely integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. This agreement may be amended, modified or added to only by written instrument properly signed by both parties hereto.

16. Force Majeure:

Neither party shall be deemed in default hereunder and neither shall be liable to the other if either is substantially unable to perform its obligations hereunder by reason of any fire, earthquake, flood, tsunami, hurricane, epidemic, accident, explosion, strike, riot, civil disturbance, act of public enemy, embargo, war, military necessity or operations, act of God, any municipal county, state or national ordinance or law, any executive or judicial order, or similar event beyond such party's control.

17. Severability:

If any provision of this agreement is held to be invalid or unenforceable for any reason, the remaining provisions will continue in full force without being impaired or invalidated in any way so long as both parties continue to receive the anticipated benefits of this agreement. The parties agree to replace an invalid provision with a valid provision that most closely approximates the intent and economic effect of the invalid provision.

18. Termination:

This agreement may be terminated by either party with 90 days written notice.

DATED this _____ day of _____, 2015.

CITY OF KIRKLAND   CITY OF MEDINA

By_____   By_____

Attachment A
Estimates for 2015 and 2016 Projects

2016/16 Estimated Base:

The City of Kirkland estimates that the base support costs for 2015 will be about half an FTE each year during these two years, or roughly 1040 hours. This figure will be monitored via the quarterly reports and adjusted as needed. The annualized figure for this level of support is $106,423 dollars for 2015 (pro-rated for ten months this is $92,274). For 2016, Kirkland estimates it will increase by 5% to cover increased cost in labor and benefits. Only the actual increase in costs will be passed on to Medina.

2015 and 2016 Project Work:

The theme in 2015 and 2016 will be about getting Medina into a stable, secure and capable infrastructure. The project work will be estimated and added to the base support bill. The projects are presented in rough order of priority, with the intent that about half of the work will be completed in 2015 and about half in 2016. All estimates are expressed in ranges and the annual project cost are estimated as the center of these ranges.

2015 Work:

License Compliance: It's critical to be legal on all software licenses, as well as to be up to date and have a plan to keep licenses legal. Being out of compliance can carry significant risks if a software company audits the city's software, and there are real cases of northwest cities paying large fines.

This project includes completing the detailed license inventory that was started as a part of our work to prepare this quote and developing a license compliance system (which could be as simple as an Excel spreadsheet with information about how to keep it up to date). Includes desktop, server, and application licenses. Includes evaluating Office 365 as a strategy for Medina. This will take between 60 and 100 hours. There will almost certainly be additional costs associated with becoming legal, but before the audit is done, those costs can't be estimated.

Implement security best practices: Includes complex passwords, removing local administrator rights (staff will not be able install programs by themselves, but will also not be able to accidentally introduce viruses or malware as easily), security training, patching for both server and desktop environments, and establishing security policy and associated group policy. Post security audit, these will be grouped into two categories. The highest priority work will be in 2015 and the next highest priority work will be in 2016. Some work may actually fall into the "future projects" category. This will take between 100 and 150 hours, depending on the results of the audit and how fast Medina wants to respond. This task has been estimated to span both years, and so the estimate for 2015 is 75 to 100 hours.

Safe decommissioning of old computer and servers: Medina has a number of old computers and servers. These need to be located and properly decommissioned, including wiping or destroying hard drives and assisting Medina with arranging for recycling or disposal of old equipment. The estimate for this work is 10-15 hours.

Replace older network equipment with current equipment: Includes network design, review of network equipment support contracts, pricing of replacement equipment and installation and configuration of equipment plus disposal of old equipment. This will take between 30 and 50 hours split between design and configuration and actual install. The hardware cost will be about $9,500 to replace one of the routers and the firewall (these are CH1841 and ASA5505).

Replace servers which are greater than four years old or are out of warranty: This includes the server 2950-24 which is unsupported and which will cost around $4,000 to replace. Kirkland will also review whether or not Medina has the right number of servers (should the city consolidate or add, or is the load good now). Between 60 and 100 hours, with the primary variable being how well Medina's vendors work with us to make moving and upgrading software easy.

Review backup strategies and test restore capability: It is important to periodically review backup strategies both to be sure they conform to current best practices but also to be certain that no critical data is being missed. This task also includes spot checking Medina's restore capability. 15 – 35 hours.

2015 task summary

Task	Hours Low	Hours High	Notes	Other costs
License compliance	60	100	There will probably be costs for this, but those can't be estimated until the audit is done.	
Implement security best practices	50	75	Assuming 50% of this work will happen in 2015.	
Safe decommissioning of old computer and servers	10	15		
Replace older network equipment with current equipment	30	50		9,500
Replace servers which are greater than four years old or are out of warranty	60	100		4,000
Review Backup Strategies and test restores	15	35		
Total hours	225	375		

2016 Work:

The theme in 2016 will continue to be about stability, uptime and reliable infrastructure.

Standardize hardware and software on desktop computers and create images: May include migration to Office 365. Either way, this includes creating standards for application usage, processes for reviewing new applications to see that they work in Medina's environment, installation of new standardized PC's where necessary (Medina has 30 computers, 22 of which will be out of warranty by 2016. Estimating $1,500 per computer, this will be $33,000 dollars). Kirkland would then create images for at least all of

the computers that were purchased in 2015 and 2016, and depending on practicality, for older computers. Images allow very quick restoration in the event of a problem. This estimate is between 80 and 120 hours.

Security best practices, continued: Install some form of web filtering which can be used to increase security and block staff from visiting potentially unsafe places. Will also include the parts of the security work from 2015 that fall into the second grouping. This is estimated as 50 to 75 hours (half of the estimate shown in 2015. While there is no final product choice for Medina at this time, it's reasonable to assume that this can be acquired for less than $5,000. For example, as of today, Barracuda web filtering is about $3,500.

Training, process, and procedure: Assist Medina users with getting up to date on processes for computer inventory and help design a training plan for computer use (which may be as simple as purchasing access to just in time training on the Internet). Estimates here are between 20 and 60 hours.

Develop simplified strategic plan for the next two years: Medina's costs to support basic infrastructure and will probably go down some in the 2017/18 biennium because of the work done in 2015 and 2016. By mid-2016, Kirkland and Medina should have a mutual understanding of what additional work to contemplate and this will allow us to look at some of the "future work" categories. Estimated to be 40 to 60 hours.

Task	Hours Low	Hours High	Notes	Other costs
Standardize hardware and software on desktop computers and create images	80	120	Will include costs of replacing 22 computers. Estimated at $1500 each at this time. May vary.	$33,000
Implement security best practices	50	75	Assuming 50% of this work will happen in 2015	
Training, process, and procedure	20	60		
Develop simplified strategic plan for the next two years	40	60		
Total	190	315		

Estimated 2015/16 project-related costs:

2015 Kirkland project hour costs	33,537
2015 direct costs (e.g. hardware)	13,500
2016 project hour costs	28,227
2016 direct costs (e.g. hardware)	33,000