



June 20, 2019

Board of Directors
Ventura Regional Sanitation District
Ventura, California

APPROVE, AND AUTHORIZE THE BOARD CHAIR TO SIGN, AMENDMENT NO. 2 TO VRSD CONTRACT NO. 17-013 WITH FTI SERVICES, INC. FOR INFORMATION TECHNOLOGY SERVICES

RECOMMENDATION

Approve, and authorize the Board Chair to sign, Amendment No. 2 to VRSD Contract No. 17-013 with FTI Services, Inc. for Information Technology (IT) services.

FISCAL IMPACT

The \$222,000 for this amendment is included within the FY2019-20 Budget as follows:

Account	Amount	Description
25-150-100103-52072	\$ 18,187	IT Maintenance Agreements
25-150-100103-52073	\$142,308	IT Services
25-150-100103-52185	\$ 9,500	IT Operating Supplies
25-150-100103-52360	\$ 20,205	Central Admin Computer Equipment
25-270-200100-52360	\$ 14,425	W/WW Computer Equipment
25-470-400100-52360	\$ 17,375	SW Computer Equipment

The amount of \$142,308 within Account No. 25-150-100103-52073 includes \$135,468 that is specifically budgeted for FTI's NetCARE Service Support Program through June 30, 2020.

BACKGROUND/ANALYSIS

VRSD has contracted with FTI Services, Inc. (FTI) for IT support even when VRSD still employed in-house IT staff. Prior to FY2018-19, VRSD had a contract with FTI for FTI's NetCARE Service Support Program and a separate blanket purchase order with FTI for IT software licenses and agreements, equipment, and supplies. In order to maintain full transparency and increase efficiency, this proposed amendment and the amendment for FY2018-19 have included all of the money associated with procurement of IT services and supplies through FTI. Several of VRSD's IT licenses and maintenance agreements are also provided through FTI, and FTI is a source for computer equipment and supplies, with the ability to provide these goods and services to VRSD in a more efficient and cost effective manner than if VRSD procured them directly.

CURRENT PROPOSAL

Section 302 of VRSD Resolution No. 89-13 allows for the purchase of services through negotiated procurement “where compelling economic or administrative considerations warrant employment of alternative purchasing procedures. Such considerations may include circumstances where services have been previously rendered by a supplier who has thereby gained and exhibited unique and/or superior experience and/or expertise in relation to District’s operational requirements.” VRSD no longer employs any IT staff and FTI has provided IT support and maintenance services to VRSD for over ten years, which staff believes has allowed FTI to gain unique and superior experience and understanding of VRSD’s IT infrastructure, software, hardware, and needs.

FTI’s services to VRSD under their NetCARE Service Support Program include, but are not limited to: an onsite technician two days per week, a remote help desk, monitoring of systems and security, and support with other IT vendors, as well as reports related to the efficiency and condition of VRSD’s IT systems. Additional FTI labor is also provided to VRSD for services outside of the NetCARE program at a 10% discount.

FTI has agreed to maintain the current monthly rate (\$11,289) for their NetCARE Service Support Program throughout the term of this amendment, which took effect during FY2017-18 and is only 5% more than the rate charged during In FY2010-11.

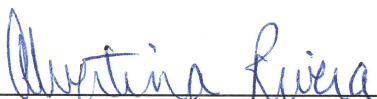
This letter and the associated contract have been reviewed by Legal Counsel as to form.

If you have any questions or need additional information, please contact me by phone at (805) 658-4634 or via email at MichaelCastro@vrzd.com.




MICHAEL CASTRO, SENIOR MANAGEMENT ANALYST

APPROVED FOR BUDGET IMPACT:


Alvertina Rivera, Director of Finance

APPROVED FOR AGENDA:


Chris Theisen, General Manager

Attachment: Amendment No. 2 to VRSD Contract No. 17-013

VENTURA REGIONAL SANITATION DISTRICT
AMENDMENT NO. 2 TO CONTRACT NO. 17-013
AGREEMENT FOR CONSULTING SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
FTI SERVICES, INC.

THIS AGREEMENT is made and entered into this 20th day of June, 2019, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. (“DISTRICT”) and FTI SERVICES, INC., a California Corporation (“CONSULTANT”). Together, DISTRICT and CONSULTANT shall be referred to herein as Parties.

RECITALS

A. On June 29, 2017, DISTRICT and CONSULTANT entered into VRSD Contract No. 17-013, Agreement for Consulting Services (“Agreement”), wherein CONSULTANT agreed to provide information technology (“IT”) maintenance services for the DISTRICT.

B. On August 16, 2018, DISTRICT and CONSULTANT agreed to amend VRSD Contract No. 17-013 to provide for additional time and compensation to continue the IT maintenance services (Amendment No. 17-013-1).

C. DISTRICT and CONSULTANT acknowledge and agree that additional time and compensation are necessary to continue the IT maintenance services, and that this can be accomplished by amending Contract 17-013 accordingly.

AMENDMENT TERMS AND CONDITIONS

NOW, THEREFORE, based upon valuable consideration below and the recitals above, it is mutually agreed by and between the Parties, in accordance with ARTICLE 7 of the Agreement governing amendments to the Agreement, as follows:

1. The Parties agree the following language shall replace the original provisions of Article 2: Term of Contract:

“Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONSULTANT shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this Agreement shall automatically terminate on June 30, 2020.”

2. The Parties agree the following language shall replace the original provisions of Article 6.B.: Payment to Consultant:

“B. Total fees or compensation to be paid by DISTRICT to CONSULTANT for CONSULTANT’s services described herein shall be increased by \$222,000 from \$350,000 to \$572,000 and shall not exceed \$572,000 without prior written amendment hereto.”

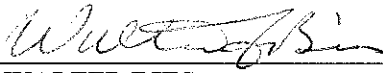
3. **Integrated Contract.** A copy of the original Agreement (VRSD Contract No. 17-013) is attached hereto as Exhibit 1 and incorporated herein by this reference, which Agreement shall, except as expressly modified herein, remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first set forth above.

VENTURA REGIONAL
SANITATION DISTRICT

FTI SERVICES, INC.

By _____
KEVIN KILDEE
Chairman of the Board

By  _____
WALTER BIES
President

ATTEST:

By _____
JULIET RODRIGUEZ
Clerk of the Board

APPROVED AS TO FORM:

ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By _____
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION

By _____
CHRIS THEISEN
General Manager

**VENTURA REGIONAL SANITATION DISTRICT
AMENDMENT NO. 1 TO CONTRACT NO. 17-013
AGREEMENT FOR CONSULTING SERVICES
BETWEEN
VENTURA REGIONAL SANITATION DISTRICT
AND
FTI SERVICES, INC.**

THIS AGREEMENT is made and entered into this 21st day of June, 2018, by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and FTI SERVICES, INC., a California Corporation ("CONSULTANT"). Together, DISTRICT and CONSULTANT shall be referred to herein as Parties.

RECITALS

A. On June 29, 2017, DISTRICT and CONSULTANT entered into VRSD Contract No. 17-013, Agreement for Consulting Services ("Agreement"), wherein CONSULTANT agreed to provide information technology ("IT") maintenance services for the DISTRICT.

B. DISTRICT and CONSULTANT acknowledge and agree that additional time and compensation are necessary to continue the IT maintenance services, and that this can be accomplished by amending Contract 17-013 accordingly.

AMENDMENT TERMS AND CONDITIONS

NOW, THEREFORE, based upon valuable consideration below and the recitals above, it is mutually agreed by and between the Parties, in accordance with ARTICLE 7 of the Agreement governing amendments to the Agreement, as follows:

1. The Parties agree the following language shall replace the original provisions of Article 2: Term of Contract:

"Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both Parties, CONSULTANT shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both Parties, this Agreement shall automatically terminate on June 30, 2019."

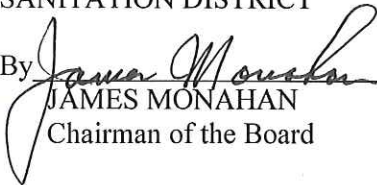
2. The Parties agree the following language shall replace the original provisions of Article 6.B.: Payment to Consultant:

"B. Total fees or compensation to be paid by DISTRICT to CONSULTANT for CONSULTANT's services described herein shall be increased by \$200,000 from \$150,000 to \$350,000 and shall not exceed \$350,000 without prior written amendment hereto."

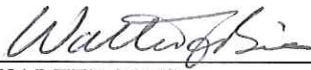
3. **Integrated Contract.** A copy of the original Agreement (VRSD Contract No. 17-013) is attached hereto as Exhibit 1 and incorporated herein by this reference, which Agreement shall, except as expressly modified herein, remain unchanged and shall be in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first set forth above.

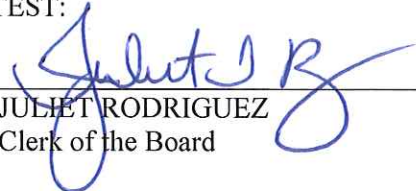
VENTURA REGIONAL
SANITATION DISTRICT

By 
JAMES MONAHAN
Chairman of the Board

FTI SERVICES, INC.

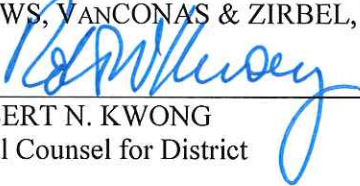
By 
WALTER BIES
President

ATTEST:

By 
JULIET RODRIGUEZ
Clerk of the Board

APPROVED AS TO FORM:

ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By 
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION


By 
CHRIS THEISEN
General Manager

EXHIBIT 1

VENTURA REGIONAL SANITATION DISTRICT CONTRACT NO. 17-013

AGREEMENT FOR CONSULTING SERVICES BETWEEN VENTURA REGIONAL SANITATION DISTRICT AND FTI SERVICES, INC

THIS AGREEMENT is made and entered into this 29th day of June 2017 by and between the VENTURA REGIONAL SANITATION DISTRICT, a public agency formed pursuant to California Health & Safety Code Section 4700 et seq. ("DISTRICT") and FTI SERVICES, INC., a California corporation ("CONSULTANT"). Together, DISTRICT and CONSULTANT shall be referred to herein as Parties.

RECITALS

A. DISTRICT has a need to engage the specialized services of a consultant to provide information technology ("IT") maintenance services for the DISTRICT.

B. DISTRICT has selected CONSULTANT, as best qualified, and based on a long-term working relationship with CONSULTANT and the CONSULTANT'S already existing familiarity with the DISTRICT, to provide IT maintenance services for the DISTRICT. The selection procedure is in conformance with Section 402 of DISTRICT Purchasing Resolution No. 89-13.

C. CONSULTANT represents it possesses the necessary skills and experience to provide the required IT maintenance services and is willing to contract with DISTRICT for that work.

D. The Parties agree to enter into this Agreement based upon the valuable and mutual consideration set forth below and the recitals above and to abide by its terms and conditions as set forth herein.

AGREEMENT

ARTICLE 1: WORK STATEMENT

A. CONSULTANT shall provide consulting services to DISTRICT to support IT functions for hardware and software, hereinafter referred to as the "Project," as described in the STATEMENT OF WORK, which is attached as Exhibit "A" to this Agreement and incorporated herein by reference.

B. CONSULTANT shall designate a representative who shall represent CONSULTANT and be its sole contact and agent in all consultations with DISTRICT during fulfillment of the terms of this Agreement. CONSULTANT's representative shall be Walter Bies. In the event Walter Bies becomes unavailable, CONSULTANT shall immediately designate another representative satisfactory to DISTRICT. CONSULTANT shall use its best efforts in providing services to DISTRICT and shall cooperate with DISTRICT and provide DISTRICT with all available information and assistance in relation to the Project.

C. DISTRICT shall assign a Staff Coordinator to work directly with CONSULTANT in connection with CONSULTANT's services to be performed under this Agreement. DISTRICT's Staff Coordinator shall be Mike Castro, Senior Management Analyst. In the event Mike Castro becomes unavailable, DISTRICT shall immediately designate another representative satisfactory to CONSULTANT.

D. CONSULTANT agrees to devote its full and best professional time, attention, and efforts in providing services to DISTRICT in a timely, complete and responsive manner and shall cooperate fully with the DISTRICT and DISTRICT management personnel which shall include but not be limited to the General Manager, Director of Finance, Director of Operations, and Senior Management Analyst and provide the DISTRICT and DISTRICT management personnel with all available information and assistance in relation to the Project. This means that CONSULTANT will at all times faithfully, industriously and to the best of CONSULTANT's ability, experience, and talent, perform all CONSULTANT's obligations as set forth in Exhibit A.

E. The Parties acknowledge and agree that CONSULTANT owes the DISTRICT a fiduciary duty to conduct all affairs of the DISTRICT in accordance with all applicable federal and state laws and the highest standards of good faith, trust, confidence and candor, and to endeavor, to the best of CONSULTANT'S ability, to promote and protect the best interests of the DISTRICT.

F. CONSULTANT shall not, at any time during the term of this Agreement, directly or indirectly, act as a partner, officer, director, consultant or employee, or provide IT services to any other business enterprise or governmental agency that conflicts with the DISTRICT's mission and business operations or CONSULTANT's duty of loyalty or fiduciary duty to the DISTRICT.

ARTICLE 2: TERM OF CONTRACT

Unless otherwise earlier terminated, this Agreement shall continue in force until the services specified herein have been fully performed. Upon execution of this Agreement by both parties, CONSULTANT shall diligently pursue work to assure completion on a timely basis. Unless otherwise extended in writing by both parties, this contract shall automatically terminate on June 30, 2018.

ARTICLE 3: INDEPENDENT CONTRACTOR RELATIONSHIP

A. It is expressly understood between the parties that no employee/employer relationship is intended, the relationship of CONSULTANT to DISTRICT being that of an independent contractor. DISTRICT shall not be required to make any payroll deductions or provide Workers' Compensation Insurance coverage or health benefits to CONSULTANT.

B. CONSULTANT is solely responsible for selecting the means, methods and procedures for performing its services hereunder as assigned by DISTRICT and for coordinating all portions of the work so the results will be satisfactory to DISTRICT but shall not be responsible for the means, methods, and procedures of other consultants. CONSULTANT will supply all tools and instrumentalities required to perform its services under this Agreement.

C. CONSULTANT pursuant to this Agreement is rendering professional services only and any payments made to it are compensation solely for such services as it may render and recommendations it may make in the performance of services.

D. As an independent contractor to the DISTRICT, CONSULTANT does not, and shall not, have any line authority, expressly or indirectly, over any DISTRICT employee. Instead, CONSULTANT will work as independently as possible and shall work with the Senior Management Analyst or other DISTRICT management personnel to assign or request that certain work be done by DISTRICT employees.

ARTICLE 4: COMPLIANCE WITH LAWS

CONSULTANT shall be solely responsible for giving all notices and complying with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority relating to CONSULTANT's work, the safety of the persons or property involved, and their protection from damage or injury. CONSULTANT shall defend, indemnify and hold DISTRICT harmless from and against all claims,

demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorneys' fees and costs, brought or recovered against DISTRICT, for or on account of any negligent violation of said laws, ordinances, rules, regulations and orders in connection with work performed by CONSULTANT under this Agreement.

ARTICLE 5: CONFIDENTIAL RELATIONSHIP/TITLE TO DOCUMENTS

In connection with this Agreement, DISTRICT may, in its discretion, supply CONSULTANT with certain employee names and compensation levels, DISTRICT's financial data, addresses, and other knowledge and information concerning DISTRICT's operations and personnel, all of which data and information (hereinafter collectively called "Confidential Information") is strictly confidential, proprietary and exclusive to DISTRICT.

CONSULTANT agrees it shall not make use of, divulge or otherwise disclose, directly or indirectly, any Confidential Information which it may have learned as a result of this Agreement, except to the extent such use is or disclosure is necessary to the performance of this Agreement and in furtherance of the DISTRICT's best interest. All notes, books, correspondence, employee data, and other written and graphical records relating to DISTRICT's operations which CONSULTANT shall prepare or use, or come into contact with during the term of this Agreement, shall be and remain DISTRICT's Confidential Information. The provisions of this paragraph shall survive any termination, for any reason, of this Agreement.

CONSULTANT further agrees that it shall not, directly or indirectly, make or allow to be made, any reproductions, summaries, copies, excerpts, abstracts, tapes, computer data, representations, models, recordings or duplications with respect to the Confidential Information.

CONSULTANT agrees to and shall return possessions of and all Confidential Information and all of DISTRICT's records, materials, computer materials, and all other documents or information provided to CONSULTANT upon demand by DISTRICT and, in any event within twenty-four (24) hours of the termination of this Agreement.

ARTICLE 6: PAYMENT TO CONSULTANT

A. In consideration of CONSULTANT's performance of services as described herein, DISTRICT shall pay CONSULTANT fees for its services according to the schedule of rates set forth in Exhibit "B" attached and incorporated by reference herein. On or prior to the tenth day of each calendar month after actual work is started, CONSULTANT shall submit an invoice in sufficient detail to show the total amount of work done and materials furnished by CONSULTANT and incorporated into the work to the last day of the month preceding the one in which the invoice is submitted. When possible, such invoice shall include the name and title of each person performing work, date and brief description of the work performed, number and type of hours worked, and labor rate. DISTRICT shall review and approve CONSULTANT's invoice for accuracy and agree with CONSULTANT on any adjustments that may be appropriate. Such approvals shall not be unreasonably withheld. DISTRICT shall pay CONSULTANT for all approved work and materials within 30 days of agreement on the amount of the invoice. In the event of disagreement with CONSULTANT on adjustments or disallowances, said amounts and disputes shall be withheld until resolved. Upon resolution of the disagreements, payment of the approved amount shall be made within 30 days after deducting therefrom all previous payments and all sums to be retained under the terms of the agreement.

B. Total fees to be paid by DISTRICT to CONSULTANT for CONSULTANT's services described herein shall not exceed \$150,000 without written amendment hereto.

C. No payment made under this Agreement, except the final payment, shall be conclusive evidence of CONSULTANT's performance of the Agreement, either wholly or in part, and no payment shall be construed to be an acceptance of CONSULTANT's services performed. DISTRICT shall provide

CONSULTANT with written documentation of completion of work along with final payment.

ARTICLE 7: CHANGE ORDERS

No change to Article 1 hereto, or to any other provision of this Agreement, may be made except by a written amendment signed by CONSULTANT and DISTRICT. DISTRICT General Manager or his designee shall be authorized to approve changes to this Agreement in a manner consistent with the provisions of DISTRICT Resolution No. 89-13. Each change order shall not exceed ten percent or \$10,000, and the aggregate total of the original contract and all change orders shall not exceed \$25,000 without approval of DISTRICT's Board of Directors.

ARTICLE 8: SUSPENSION OR TERMINATION OF CONTRACT

All work shall be done in a diligent and professional manner to DISTRICT's satisfaction. CONSULTANT specifically acknowledges and agrees that DISTRICT may suspend or terminate CONSULTANT's services at any time with or without cause, regardless of whether CONSULTANT's services or the Project are completed. Any termination or any special instructions hereunder from DISTRICT shall be made in writing. In the event of such termination or suspension exceeding three (3) months, CONSULTANT shall have the right to expend additional time to assemble the work in progress for the particular section of work for the purpose of proper filing and closing the job. Such additional time shall not exceed ten percent (10%) of the total time expended on the section or sections of work suspended at and to the date of the notice of suspension or termination, and shall not increase CONSULTANT's total compensation beyond the maximum stated in Article 6.

In the event suspension of services exceeds twelve (12) months in duration, CONSULTANT may, by not less than thirty (30) days' written notice, terminate the services as they apply to the suspended portion of the project. In the event this Agreement is terminated by either DISTRICT or CONSULTANT, all reports, specifications and appurtenant data shall be delivered by CONSULTANT to DISTRICT and may be used by DISTRICT.

ARTICLE 9: INDEMNIFICATION AND HOLD HARMLESS

CONSULTANT agrees to defend, indemnify and hold harmless DISTRICT, and its officers, agents and employees, from and against any and all liability, damages, costs, losses, claims and expenses, however caused, resulting directly or indirectly from or connected with CONSULTANT's negligent performance of this Agreement (including, but not limited to such liability, cost, damage, loss, claim or expense arising from the death of or injury to, or damage to property of CONSULTANT, DISTRICT, or their respective employees or agents), except to the extent that such liability, damages, costs, losses, claims or expenses are caused by the negligent or wrongful acts or omissions of DISTRICT or any of its agents or employees.

ARTICLE 10: INSURANCE

CONSULTANT shall provide and keep in effect during the term of this Agreement insurance as follows:

- A. Workers' Compensation and Employer's Liability in accordance with applicable laws.
- B. Comprehensive Commercial Liability policies with combined single limit coverage of \$1,000,000 for any personal injury, death, or property damage.
- C. Comprehensive Automobile Liability policies with combined single limit coverage of \$1,000,000 for personal injury, death, or property damage.

D. Errors and Omissions coverage with minimum limits of \$1,000,000 in full force and effect during the life of this contract.

CONSULTANT shall provide certificates of such insurance to DISTRICT prior to the start of work. Said certificates shall specifically provide that: (1) DISTRICT is an additional insured for the coverage in Items B and C above; (2) any other insurance coverage applicable to the loss shall be deemed excess coverage and CONSULTANT's insurance shall be primary for the coverage in Items B and C above; (3) in the event of CONSULTANT's error or omission, CONSULTANT's insurance shall respond for the coverage in Item D above; and (4) such insurance shall not be terminated or canceled without thirty (30) days' prior written notice having been given DISTRICT at its address set forth in this Agreement, except that ten (10) days' written notice shall be acceptable in the case of cancellation for nonpayment.

ARTICLE 11: SUBCONTRACTORS

This Agreement is a personal service contract and the consulting work hereunder shall not be delegated or assigned by CONSULTANT to any person or entity without the consent of DISTRICT. Breach of this provision shall be grounds for immediate termination of this Agreement.

ARTICLE 12: NOTICES

All notices or other official correspondence relating to contractual matters between the parties shall be made by depositing the same as first-class, postage-paid mail addressed as follows:

To CONSULTANT: Walter Bies
FTI SERVICES
130 Robin Hill Road, Suite 200
Goleta, California 93117

To DISTRICT: Finance & Administration
VENTURA REGIONAL SANITATION DISTRICT
1001 Partridge Drive, Suite 150
Ventura, California 93003-0704

or to such other address as either party may designate hereinafter in writing delivered to the other party. All notices shall be deemed to have been received three (3) days after mailing.

ARTICLE 13: NO WAIVER

No failure or delay by DISTRICT in asserting any of DISTRICT's rights and remedies as to any default of CONSULTANT shall operate as a waiver of the default, of any subsequent or other default by CONSULTANT, or of any of DISTRICT's rights or remedies. No such delay shall deprive DISTRICT of its right to institute and maintain any action or proceeding which may be necessary to protect, assert or enforce any rights or remedies arising out of this Agreement or the performance of this Agreement.

ARTICLE 14: PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Agreement is found by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated thereby.

ARTICLE 15: TERMS

No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties.

ARTICLE 16: INCORPORATION OF RECITALS

The foregoing recitals are incorporated herein as though fully set forth.

ARTICLE 17: CALIFORNIA LAW


This Agreement shall be interpreted and construed pursuant to the laws of the State of California. The parties agree that should litigation arising from this Agreement be commenced within California, such litigation shall occur within a court of competent jurisdiction within the County of Ventura.

ARTICLE 18: ADDITIONAL PROVISIONS

CONSULTANT agrees that no regular employee of DISTRICT shall be employed by its firm during the period that this Agreement is in effect.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.


VENTURA REGIONAL
SANITATION DISTRICT

By 
WILLIAM WEIRICK
Chairman of the Board

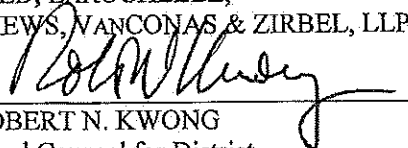
FTI SERVICES, INC.

By 
WALTER BIES
President

ATTEST

By 
LISA MCKINLEY
Acting Clerk of the Board

APPROVED AS TO FORM:
ARNOLD, LAROCHELLE,
MATHEWS, VANCONAS & ZIRBEL, LLP

By 
ROBERT N. KWONG
Legal Counsel for District

APPROVED AS TO ADMINISTRATION


By 
CHRIS THEISEN
General Manager

EXHIBIT A

STATEMENT OF WORK

This Statement of Work details the tasks to be performed by CONSULTANT for the DISTRICT under Ventura Regional Sanitation District Contract No. 17-013. CONSULTANT shall provide DISTRICT with the following services under its NetCARE Service Plan.

General Services to be provided by CONSULTANT include:

- Two (2) full days (8 hrs/day) of onsite support each week under the Term of this Agreement
- Real-time monitoring of critical systems
- Every DISTRICT computer user will have direct access to CONSULTANT's Help Desk, which shall be staffed by CONSULTANT's senior technicians
 - If a DISTRICT computer user asks for support or items not covered by this Agreement, CONSULTANT will seek appropriate approval from DISTRICT management prior to proceeding with that support work or item(s).
 - CONSULTANT shall provide a help-desk component to allow all DISTRICT employees to contact CONSULTANT directly for support. If the help desk is unable to resolve an issue remotely, a CONSULTANT engineer shall be dispatched to the site.
- Rapid on-site response (within 24 hours of receipt of call for on-site response)
- Server and desktop maintenance
- Patch management
- Network security and intrusion prevention maintenance
- Regular system reports including, but not limited to, system health, service call information, and recommendations
- Other IT vendor interface: engaging and managing other vendors to achieve problem resolution is included as part of the monthly maintenance fee

1.1 NetCARE Service Support Program

All of the following support elements, unless otherwise noted, shall be included in the monthly fixed fee support price.

A. Desktop, User, and Help Desk Support

1. Desktop support includes, but is not limited to, the following:
 - 1) Access to the CONSULTANT Services Help Desk
 - 2) Remote support via GoToAssist or Kaseya
 - 3) Kaseya monitoring
 - 4) Troubleshooting and support of desktop hardware
 - 5) Replacement of defective components
 - 6) Reloading of corrupt software
 - 7) Complete system re-builds, if necessary
 - 8) Anti-virus maintenance
 - 9) Virus and malware removal and cleanup
 - a. Up to eight hours in a given month
 - 10) Configuration and troubleshooting of peripherals, including printers
 - 11) Troubleshooting smartphone connectivity to email
 - 12) User application troubleshooting

- 13) Bare metal restores
- 14) Maintenance of patches
 - a. A customized patch routine will be developed and managed for DISTRICT in order to adhere to compliance and system requirements. This is included in the monthly fixed fee support price.

B. LAN / WAN Network Administration and Support

CONSULTANT will provide LAN and WAN administration and support functions for the following elements:

- 1. Maintaining all file, print, and database server hardware
- 2. Maintaining related SAN devices and VM Hosts
- 3. Correcting active directory issues
- 4. Administering email, premise or hosted
- 5. Addressing performance issues
- 6. Replacement of defective components
- 7. Reloading of corrupt software
- 8. Complete system redeployment or rebuild as needed
- 9. Anti-virus maintenance
- 10. Virus and malware removal and cleanup
 - a. Up to eight hours in a given month
- 11. Managing disk space
- 12. Maintaining all switches, firewalls, and wireless system components
- 13. Replacement of defective network components
- 14. Updating network equipment patches and firmware as required
- 15. Maintaining and updating existing VLANs as necessary
- 16. Maintaining and updating existing firewall policies as necessary including
 - a. Perimeter AV and malware
 - b. Web content filtering
 - c. Intrusion prevention system
- 17. Maintaining and updating existing VPN configurations
- 18. Troubleshooting connectivity problems
 - a. LAN
 - b. WAN
- 19. User adds / moves / changes
 - a. Admin / service account password changes are excluded
- 20. Log file review
- 21. Maintenance and routine validation of back-ups

C. Monthly Patching

DISTRICT will become part of CONSULTANT's scheduled after-hours patch maintenance cycle. Additionally a customized Patch routine will be developed and managed for DISTRICT in order to adhere to compliance and system requirements. This work task will be included in the monthly fixed fee support price.

D. Support Hour Definitions

Normal Business Hours	Monday-Friday: 8:00 am to 5:00 pm Pacific Time (excluding national holidays)
Non-Standard Hours	Monday-Friday: 5:00 PM to 8:00 am Pacific Time All day Saturday, Sunday and national holidays

E. Response Times

Issue Type	Normal Business Hours Help Desk Response Time	Normal Business Hours On-Site Response Time	Non-Standard Hours Response Time
Non-Critical Desktop Issues Including: Interface Appearance Issues Application How to Questions System and Application Updates.	< 2 Hour	Next Business Day	Next Business Day
Critical Desktop Issues Including: System Won't Boot-Up Mobile Device Issues Unable to Sign Into System Inability to Access Files Network Connectivity Issues Unable to Access Email Operating System or Application Failure Inability to Print Any Issue Associated with Mgmt. User Systems	< 1 Hour	< 4 Hours from Help Desk Handoff	< 6 Hours
Critical Systems Issues Including: Servers Firewall Backup Systems Network Backbone Components Network Security Systems	< 1 Hour	< 2 Hours from Help Desk Handoff	< 4 Hours

Response time is defined as an RSE or RSM contacting DISTRICT's designated point of contact to begin working the technical issue within the guaranteed response time window.

F. Real-Time Network Monitoring with Kaseya

1. CONSULTANT shall configure its real-time network monitoring system, Kaseya, on all of DISTRICT's key systems (Servers, Desktops, and Network Equipment) by [date]

2. Kaseya shall track all of the following critical system components for VRSD:

• Active Directory	• File Server	• Oracle Databases
• Antivirus	• FTP sites	• POP3 Mail servers
• Backup	• HTTP/HTTPS	• Critical Processes
• CPU Usage	• ICMP/Ping	• Critical Services
• Directory Size	• IMAP Mailservers	• SMTP Mailservers
• Disk Drives	• LDAP	• SNMP
• Disk Spaces	• Memory Usage	• TCP ports
• DNS	• SQL Databases	• Users & groups
• Event Logs	• NTDS (NT4 DS)	• VBScript (custom)

• Exchange Server

• ODBC Databases

G. Hardware Repair / Replacement and Warranty Work

1. CONSULTANT shall facilitate all required warranty work on systems covered by NetCARE. This work will be included in the monthly fixed fee support price. Any required hardware procured by CONSULTANT to execute a repair will be charged to DISTRICT separately from the monthly fixed fee support price. CONSULTANT may provide temporary replacements for failed components if available.

2. All labor to execute hardware replacement or repair up to, but not including, deployment of a new system shall be covered under the monthly maintenance fee.

3. CONSULTANT may advise DISTRICT that a given piece of hardware is too old or obsolete to warrant repair. If such a recommendation is made by CONSULTANT, and DISTRICT decides not to follow it, CONSULTANT shall have the right to remove the hardware component from the support agreement.

H. IT Vendor Interface

1. DISTRICT has multiple vendors supporting its IT infrastructure including Business Management Software vendors, phone vendors, and ISPs and CONSULTANT shall interface with these vendors as necessary to resolve DISTRICT's computer issues.

2. Consultants engagement and management of these vendors to achieve problem resolution is included as part of the monthly fixed fee support price insofar as such effort does not require CONSULTANT to perform direct support on items not covered under this contract.

I. Technology Research, Proposal and Application to Business

From time to time, CONSULTANT will be called upon to evaluate DISTRICT's IT systems and provide recommendations for new technologies / enhancements and articulate to DISTRICT how those technologies will integrate into and impact the business. CONSULTANT shall provide this research and proposal process at no charge to DISTRICT.

J. Monthly Deliverables

CONSULTANT will provide to DISTRICT's management, monthly reports which will outline the following:

- Number of support calls
- Network infrastructure status report
- Short-term recommendations, If Any

Additionally, CONSULTANT will schedule a monthly status call with a DISTRICT designee. This call will include a review of the above reports and any pending / open projects and tasks.

K. IT Systems Documentation Management

As part of the monthly fixed fee support price, CONSULTANT will maintain all documentation associated with configuration of the IT systems including:

- Hardware patch levels and history
- Software patch levels and history
- Firewall configuration
- Network diagrams
- Revision control

1.2 Items not Supported under NetCARE

Following is a list of items not covered under the monthly fixed fee support price and such work items shall be charged on a time and materials basis according to rates set forth in Exhibit B:

1. Printers and multifunction copiers: Remotely troubleshooting these components' connectivity to the network or users' connectivity to these items is covered under the fee. However, CONSULTANT does not have the ability to troubleshoot or perform preventative maintenance on the hardware and software aspects of these items.
2. Designing and implementing large scale network changes
 - a. Net New VLANs
 - i. Updating / troubleshooting existing VLANs is covered. Creating new VLANs in the environment is not covered.
 - b. Net new VPN tunnels
 - i. Updating / troubleshooting existing VPN tunnels is covered. Creating new VPN tunnels is not covered.
 - c. Changing user VPN connectivity methodology
 - i. For instance migrating from client based VPN to SSL VPN would not be covered.
 - d. Switching ISPs
 - e. Implementing net new network devices
 - i. Replacement of currently deployed and covered devices due to failure or faulty functioning is covered. Deploying new devices for any other reason is not covered.
3. Organization management and industry / vertical specific software: This covers both commercial off-the-shelf systems and custom developed systems. Support of the underlying hardware and operating systems for these systems is covered under the monthly fixed fee support price (assuming those systems are on the support contract), but any direct work required on these applications will be billed separately.
4. Database administration
5. Virus and malware cleanup, including restoration of user files from backup, is included up to eight hours in a given month for PCs and eight hours in a given month for servers. Beyond that, CONSULTANT will bill at the then-current rate.
6. Project Work: System upgrades and migrations which would include OS upgrades or wholesale DISTRICT-wide software upgrades are not included. Likewise rollouts of new software programs or new hardware, and programming are also not included under this agreement.

Additionally, assistance with fallout from the deployment of a project or system by internal DISTRICT staff is not covered.

Project work will be quoted separately and managed as a separate project.

- Administrative / service account password and permission changes

- Phone system support
- Switching ISP's
- Cabling
- Damage caused by non-business-related personnel or events (e.g., natural disasters, theft, or vandalism).
- Damage caused by customer negligence: This type of damage could include damage caused by customer personnel or vendors / contractors associated with the customer.
- Materials: Any new hardware or software required to support the existing infrastructure (even for covered systems) will be billed to the DISTRICT.

If CONSULTANT is asked to address any of the above items by a user, CONSULTANT will seek appropriate DISTRICT approval prior to proceeding.

EXHIBIT B

PRICING

Description:	Qty.	Unit Price	Ext. Price
One Time Setup Costs			
Configure Agents and Patch Routine, Confirm / Update System Documentation	1	\$.00	\$.00
Monthly Fixed Fee Support Costs			
NetCARE Service, Users	N/A	Included	Included
NetCARE Service, Servers	N/A	Included	Included
NetCARE Service, Firewall	N/A	Included	Included
NetCARE LAN Switch, Wireless, and Router Maintenance	N/A	Included	Included
24 x 7 Kaseya Real Time Monitoring	N/A	Included	Included
Adds, Moves, Changes	N/A	Included	Included
Patch Management	N/A	Included	Included
Unlimited Help Desk for Servers and Workstations	N/A	Included	Included
Unlimited Onsite Support for Failed Components for Servers and Workstations	N/A	Included	Included
Guaranteed Response Times	N/A	Included	Included
Unlimited After Hours Support for Covered Systems	N/A	Included	Included
Monthly Deliverables	N/A	Included	Included
Documentation Updates as Defined	N/A	Included	Included
Warranty Facilitation for Covered Components	N/A	Included	Included
Vendor Interface Support	N/A	Included	Included
10% Discount Hourly Rate for All Other Services	N/A	Included	Included
Monthly Fixed Fee Support Total:			\$11,289.00

DISTRICT-requested IT maintenance work that is above and beyond the services covered by the Monthly Fixed Fee Support as set forth in Exhibit A Statement of Work will be performed by CONSULTANT and invoiced by the CONSULTANT using the following hourly labor rates (less 10% NetCARE Premier Customer Discount):

Security IT Rate:	\$225/hr
Network Engineering Rate	\$190/hr
Cabling Services	\$ 95/hr

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