



July 16, 2020

Board of Directors
 Ventura Regional Sanitation District
 Ventura, California

CONSIDERATION AND APPROVAL OF AMENDMENT NO. 4 TO VRSD CONTRACT NO. 17-013 WITH FTI SERVICES, INC. FOR INFORMATION TECHNOLOGY SERVICES

RECOMMENDATION

Approve, and authorize, the Board Chairperson to sign, Amendment No. 4 to VRSD Contract No. 17-013 with FTI Services, Inc. for Information Technology (IT) services.

FISCAL IMPACT

The \$278,000 for this amendment is included within the FY2020-21 Budget as follows:

Account	Amount	Description
25-150-100103-52072	\$ 18,948	IT Maint. Agreements
25-150-100103-52073	\$151,653	IT Services
25-150-100103-52185	\$ 9,500	IT Operating Supplies
25-150-100103-52360	\$ 13,799	Central Admin Computer Equipment
25-270-200100-52360	\$ 11,800	W/WW Computer Equipment
25-470-400100-52072	\$ 5,790	SW IT Maint. Agreements
25-470-400100-52360	\$ 17,375	SW Computer Equipment
90-190-199916-52072	\$ 10,550	Exchange Server Software Licenses
90-190-199919-52072	\$ 14,000	Central Admin Datto Maint. Agreement
90-190-199919-52073	\$ 4,275	Central Admin Datto Installation Labor
90-190-199919-52360	\$ 3,850	Central Admin Datto Equipment
90-190-199920-52072	\$ 6,880	TSOPS Server Upgrade Licenses
90-190-199920-52073	\$ 4,275	TSOPS Server Upgrade Labor
90-490-499934-52072	\$ 1,030	SW SCADA Server Upgrade Licenses
90-490-499934-52073	\$ 4,275	SW SCADA Server Upgrade Labor

The amount of \$151,653, within Account No. 25-150-100103-52073, includes \$142,248 that is specifically budgeted for FTI's NetCARE Service Support Program through June 30, 2021.

BACKGROUND/ANALYSIS

VRSD has maintained a contractual working relationship with FTI Services, Inc. (FTI) for IT support even while employing in-house IT staff because of FTI's expertise and experience. 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.

As of FY2018-19, VRSD began combining the contract with FTI for FTI's NetCARE Service Support Program and other IT software licenses and agreements, equipment, and supplies under one contract for enhanced transparency and increased efficiency. This proposed amendment includes all the funds associated with procurement of IT services and supplies through FTI.

VRSD Contract No. 17-013 was approved by the VRSD Board on June 29, 2017, and subsequently amended three times for a total contract amount of \$590,502. The proposed fourth amendment would bring the contract total to \$868,502.

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."

Since VRSD no longer employs any in-house IT staff and FTI has provided IT support and maintenance services to VRSD for over ten years, District staff has determined that FTI has gained 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.

This proposed amendment includes the first rate increase for their NetCARE program since July 2016, increasing by \$565 (5%) per month, from \$11,289 to \$11,854, throughout the term of this amendment.

Additionally, as part of this amendment, FTI will be involved in four capital outlays during FY2020-21:

- 1) \$10,550 is included for the Exchange Server upgrade to Microsoft Exchange 2019 (Project #199916), which is in addition to \$9,100 that has already been approved by the Board.
- 2) \$22,125 is included for implementation of a Datto SIRIS 3 (Project #199919) at the District Office, which will provide an offsite/cloud-based backup system, allowing for quicker backup, both locally and through Datto's cloud, as well as faster restoration if necessary.
- 3) \$11,155 is included for the TSOPS Server upgrade to Microsoft Windows Server 2019 (Project #199920).
- 4) \$5,305 is included for the Toland SCADA Server upgrade to Microsoft Windows Server 2019 (Project #499934).

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@vrsd.com.



MICHAEL CASTRO, SENIOR MANAGEMENT ANALYST

APPROVED FOR BUDGET IMPACT:



Alvertina Rivera, Director of Finance

APPROVED FOR AGENDA:



Chris Theisen, General Manager