CITY OF KIRKLAND
Information Technology Department
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MEMORANDUM

To: David Ramsay, City Manager

From: Brenda Cooper, CIO

Date: June 6th, 2008

Subject: Interlocal Agreement to Provide Information Technology Services to the Northshore Fire District

RECOMMENDATION

City Council approve the attached interlocal agreement.

POLICY IMPLICATIONS

The City of Kirkland often assists other governmental agencies in the region. This agreement is in line with that general policy.

BACKGROUND DISCUSSION

About six months ago, Northshore Fire District's Chief, Tom Weathers, approached me and asked if we might be able to provide information technology support for his department. After a series of meetings and some site visits, we determined that we can provide that service in a manner that will work for both Northshore Fire District and for the City of Kirkland.

Northshore is specifically looking for support that includes more than one discipline, since they need help for PC's, their network, etc. Since they do not have a full FTE's worth of work, they did not feel they could hire appropriate staff. They also expressed an interest in being supported by people who understood the particular nature of public agencies in general and fire departments specifically. We feel that we do, and that we can provide them with good support.

We met with Finance and determined how to price this contract to obtain full cost recovery for direct and indirect costs. The amount that Northshore will be paying us will allow us to hire a temporary full time Help Desk staff member, since that is the most appropriate level to backfill to meet this new need.

The result of these discussions would be this agreement, which will provide the dollars for a temporary position. As identified, the work will be allocated to the IT staff appropriate to provide the service. Appropriate notice has been provided to AFSCME, as the temporary position would be covered under their collective bargaining agreement. This staff position will be tied to this contractual agreement and the position would end with a discontinuance of the agreement.

RESOLUTION R-4709

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE CITY MANAGER TO SIGN THE INTERLOCAL AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES TO BE PROVIDED TO THE NORTHSHORE FIRE DISTRICT BY THE CITY OF KIRKLAND.

WHEREAS, the Northshore Fire District 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; and

WHEREAS, the Information Technology Department of the City of Kirkland is willing and able to provide that support pursuant to the terms of the proposed interlocal agreement between the City of Kirkland and the Northshore Fire District, and

WHEREAS, the parties are authorized by Chapter 39.34 RCW to enter into an interlocal cooperation agreement of this nature.

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City an interlocal agreement between the City of Kirkland and the Northshore Fire District substantially similar to the Agreement attached hereto as Exhibit A.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2008.

Signed in authentication thereof this _____ day of _____, 2008.

_____
MAYOR

Attest:

_____
City Clerk

INTERLOCAL AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES TO BE PROVIDED TO NORTHSHORE FIRE DISTRICT BY THE CITY OF KIRKLAND

This Agreement is entered into between the City of Kirkland (Kirkland) and the Northshore Fire District (Northshore).

WHEREAS, Northshore 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; and

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: The initial term of this agreement will be from July 1, 2008 through December 31st, 2010. It may be renewed thereafter in two-year increments with the written approval of both parties.

2: Services Provided: Most general day to day information technology support services are included in a fixed base rate set forth in Section 3 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 with the first one completed in October, 2008.
- Assistance with budget planning for normal upgrades.
- 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 in the base for Kirkland regarding desktop computer support and network support (and is not excluded below) will also be included in the base rate for this contract.

The base rate will not include:

- Mileage to and from Northshore (will be billed quarterly)
- Emergency after-hours support
- Special projects
- Strategic and long-term planning
- Actual cost of hardware and software that Northshore 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, so for 2008, emergency after hours support will cost $124.50/hr. Any minimums or other work conditions associated with union contracts that affect emergency after hours support will apply to Northshore as well.

Northshore 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 Northshore purchases, or advice on wiring plans for a new building. Special projects may cost the same as the Northshore 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. Cost: Service will be provided at a base fixed rate for regular ongoing services. This will be billed annually three times – once in July 2008 for one half of a year, and then again in January 2009 and January 2010 for the full years.

2008 (6 months)[1]	2009	2010
$39,010	$81,921	$86,017

[1] If you want to start in a different month, we can pro-rate this up or down.

These costs were derived in the following manner:

The initial joint estimate for ongoing services is a half an FTE. A half an FTE is usually 1040 hours, less some hours for vacation, holidays, and other time off. This contract assumes 100 hours of total time off. Multiplying 940 by an hourly rate of $83 yields $78,020 in 2008 dollars. Kirkland usually estimates 5% cost increases for personnel including salaries, benefits, and other direct and indirect costs, so a 5% increase was forecast for each of the next two years.

The $83.00 an hour base 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 940 a 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.

4. Work Rules: During the term of this agreement, all Kirkland staff who perform work for Northshore 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.

5. Contacts: The main point of contact for Northshore shall be Tom Weathers. The main point of contact for Kirkland shall be Donna Gaw. Northshore Staff will be able to contact the Kirkland Help Desk directly to place normal calls for service. In the event of any disputes arising under this agreement, the contact personnel shall meet and confer and mutually agree upon a dispute resolution process. If mutual agreement cannot be reached within a reasonable amount of time under the circumstances then presented, either party may initiate litigation.

6. Hardware, software, and other standards: Kirkland has specific standards associated with hardware and software. Northshore 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 in the next six to twelve months in order to bring Northshore up to levels that we can support.

7. Indemnification and Hold Harmless: Northshore 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 Northshore, except for those acts or omissions resulting from the negligence of Kirkland.

Northshore 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 Northshore, its, officers, employees or agents pursuant to, resulting from or arising out of this agreement. Northshore 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, Northshore, 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 attorneys fees to enforce the provisions of this article, all such fees, expenses and costs shall be recoverable from Northshore.

8. Insurance: Northshore shall maintain insurance or self-insurance that is sufficient to protect Kirkland against all applicable risks as set forth in Attachment B and the Insurance Rider. Before Kirkland begins to provide this IT support, Northshore 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.

9. Confidential Information: Kirkland may have access to, review, or otherwise obtain knowledge of Northshore confidential or privileged information and communications in the course of fixing or working on Northshore technology systems. Kirkland staff shall not disclose this confidential or privileged information/communication except as permitted by Northshore, 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. 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.

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

DATED this _____ day of _____, 2008.

CITY OF KIRKLAND	NORTHSHORE FIRE DISTRICT
By_____	By_____
Approved as to form:	Approved as to form:
_____ Bill Evans City Attorney	_____ Attorney