

REPORT

**To the Honorable Mayor and City Council
From the City Manager**

December 8, 2003

Subject

Agreement to provide Information Technology services for Shelter Network

Recommendation

Request the authorization for the Assistant City Manager to sign the agreement for the Information Technology Division of the Finance Department to provide Information Technology support to the Shelter Network, a private non-profit organization.

Background

Redwood City's Information Technology (IT) division has provided contract services to other public agencies for over fifteen years, and is proud of our entrepreneurial programs. Shelter Network desires to purchase 230 hours per fiscal year 2003/04 to support their desktops, servers and network infrastructure. IT will be supporting Shelter Network's seven county wide sites. Two of the seven sites are located in Redwood City.

Shelter Network is a nonprofit organization which provides housing and services for homeless families and individuals free of charge in the San Francisco Bay Area. Founded in 1987 with just one shelter, Shelter Network now operates seven shelters throughout the Peninsula, from Daly City to East Palo Alto. Each year, Shelter Network serve more than 2,000 homeless children, parents, and single adults and provide over 100,000 nights of shelter. Shelter Network receives funding from federal, state, and local governments, private foundations, businesses, community groups, and individuals. Shelter Network's annual operating budget is \$4.6 million.

Since the City Manager is a board member of Shelter Network, he has elected to delegate his authority to the Assistant City Manager. The agreement (Attachment A) provides the Assistant City Manager with the authority to extend the term of the agreement and to amend it for the hourly rates charged and the number of hours purchased.

Alternative

The alternative would be to decline this opportunity for IT to provide services to Shelter Network. Implementing this option, the City would lose the benefits of the economies of scale which is created by pooling resources to support multiple agencies plus, the loss of revenue to the city generated by this entrepreneurial program.

Fiscal Impact

The agreement will generate \$21,850 of annual revenue for the City. The revenue covers all of the City's costs of providing these services and generates a profit that is used to reduce the cost of operating the City's Information Technology division.

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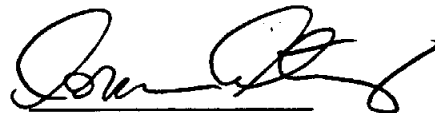
The IT division is pursuing business opportunities such as to mitigate the reductions that staff anticipates will be required in the coming years due to the projected deficit in the general fund.



David Chulick
Manager of Information Technology



Brian Ponty
Director, Finance



Corinne Centeno
Assistant City Manager

Attachment

Agreement for Information Technology Services (Shelter Network)

**AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES
(SHELTER NETWORKS)**

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2003, by and between the CITY OF REDWOOD CITY, a charter city and municipal corporation of the State of California ("City"), and SHELTER NETWORK, a nonprofit California Corporation ("Shelter Network") (collectively, the "Parties").

RECITALS

WHEREAS, Shelter Network is an organization which provides housing and services for homeless families and individuals in the San Francisco Bay Area; and,

WHEREAS, Shelter Network has a need for maintenance and support of their desktop computers, servers and network infrastructure; and,

WHEREAS, City is able and willing to maintain and support Shelter Network's desktop computers, servers and network infrastructure.

1. Scope of Work. City agrees to render, services (the "Services") that are defined in attached Exhibit "A," which is incorporated by this reference in accordance with this Agreement's terms and conditions.
2. Term. Unless earlier terminated, the term of this Agreement will be effective from the date first above written to June 30, 2004 (the "Initial Agreement Term"). Following the Initial Agreement Term the Assistant City Manager may, by written amendment, annually renew this Agreement for each subsequent fiscal year (July 1st through June 30th).
3. Compensation. Shelter Network has agreed to purchase 230 hours of Services for Fiscal Year 2003-04 at an hourly rate of \$95 per hour, totaling \$21,850 which will be billed in ten equal monthly installments (in arrears) of \$2,185 starting the first week in October 2003 through Fiscal Year 2003-04. The Assistant City Manager may, by written amendment, agree to adjust Shelter Network's hourly commitment and City's hourly rate.
4. Status of City. City will perform the Services in City's own way as an independent contractor and in pursuit of City's independent calling and not as an employee of Shelter Network. The persons used by the City to provide services under this Agreement will not be considered employees of Network Shelter for any purpose.
5. Indemnification. City will defend, indemnify and hold Shelter Network, its offices, agents, volunteers, and employees, harmless from any and all loss, damage, claims, liability, expense or cost, including reasonable attorney's fees which arise out of, or are

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in any way connected with the active negligence and/or willful misconduct of City, or any of City's employees, agents or subcontractors in their performance of the Services.

6. Insurance. City will obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the Services by City or City's agents, representatives, employees or subcontractors. The City's insurance will be through joint powers insurance pool organized and operated under the applicable laws of the State of California.

6.1 Coverages and Limits. City will maintain the types of coverages and minimum limits indicated below,

6.1.1 Commercial General Liability Insurance. \$1,000,000 combined single-limit per occurrence for bodily injury, personal injury and property damage. If the submitted policies contain aggregate limits, general aggregate limits will apply separately to the work under this Agreement or the general aggregate will be twice the required per occurrence limit.

6.1.2 Automobile Liability. \$1,000,000 combined single-limit per accident for bodily injury and property damage.

6.1.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code and Employer's Liability limits of \$1,000,000 per accident for bodily injury. Workers' Compensation and Employer's Liability insurance will not be required if city has no employees and provides, to City's satisfaction, a declaration stating this.

6.1.4 Professional Liability. Errors and omissions liability appropriate to the City's profession with limits of not less than \$1,000,000 per claim.

6.2. Additional Provisions. City will ensure that the Commercial General Liability and Automobile Liability policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

6.2.1 Shelter Network, its officers, and employees will be named as additional insureds.

7. Notices. The name of the persons who are authorized to give written notices or to receive written notice on behalf of City and on behalf of Shelter Network under this Agreement.

For City:

City of Redwood City
 1017 Middlefield Road
 Redwood City, CA 94063
 I.T. Manager
 Phone No. (650) 780-7090

Shelter Network:

1450 Chapin Ave., 2nd floor
 Burlingame, CA 94010
 Executive Director
 Phone No. (650) 685-5880

Except as otherwise stated, all notices to be provided or that may be provided under this Agreement must be in writing and delivered by regular and certified mail. Each party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

8. Termination. Either Party upon tendering ninety (90) days written notice to the other Party may terminate this Agreement. City will be paid for any work that it performs up to the termination date.

9. Dispute Resolution. Any controversies between Redwood City and Shelter Network regarding the construction or application of the Agreement, as may be amended, and claims arising out of the Agreement, as may be amended, or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after service of that request on the other Party. The Parties may agree on one mediator. If they cannot agree on one mediator within a reasonable time, the Party demanding mediation shall request the Superior Court of San Mateo County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The Parties may agree to exceed the time allowed for mediation under the Agreement. The cost of mediation shall be borne by the Parties equally. Mediation under this section is a condition precedent to filing an action in any court. In the event mediation or litigation arises out of any dispute related to the Agreement, as may be amended, the Parties shall each pay their respective attorneys fees, expert witness costs and cost of suit, regardless of the outcome of the litigation.

10. Jurisdiction and Venue. Any action at law or in equity brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of San Mateo, State of California, and the Parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

11. Paragraph Headings. Paragraph headings as used herein are for convenience only and will not be deemed to be a part of such paragraphs and will not be construed to change the meaning thereof.

12. Entire Agreement. This Agreement, together with any other written document referred to or contemplated by it, along with the purchase order for this Agreement and its provisions, embody the entire Agreement and understanding between the parties

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relating to the subject matter of it. In case of conflict, the terms of the Agreement supersede the purchase order. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in a writing signed by both parties.

13. Authority. The individuals executing this Agreement and the instruments referenced in it on behalf of Parties each represent and warrant that they have the legal power, right and actual authority to the Parties to the terms and conditions of this Agreement.

CITY: CITY OF REDWOOD CITY, a charter city and municipal corporation of the State of California
1017 Middlefield Road
Redwood City, CA 94063

By: _____
Corinne Centeno, Assistant City Manager

ATTEST:

Patricia Howe, City Clerk

SHELTER NETWORK: Ms. Michele Jackson
Executive Director
Shelter Network
1450 Chapin Ave., 2nd floor
Burlingame, CA 94010

By: _____

Printed Name: _____

Title: _____

EXHIBIT "A"**SCOPE OF SERVICES**

- Electronic Data Management (EDM) support includes consulting services, such as discussing available options, troubleshooting, recommending solutions; and working with employee and equipment vendors as needed.
- EDM support includes developing computer specifications and establishing computer standards for workstations, servers, routers, switches, cabling, printers, hubs, modems, and patch panels.
- EDM support includes the hardware support of standardized computer equipment listed above.
 - The Shelter Network will be financially responsible for all hardware components.
 - Troubleshooting printers will be performed initially by EDM staff; if the printer requires new internal hardware, the EDM staff will contact a certified printer repair contractor. Shelter Network will pay for contractor parts and services.
 - Cabling for adds/moves/changes will be performed by cabling contractors approved jointly by Shelter Network and Redwood City and paid for by Shelter Network.
 - EDM support will work with the equipment vendors to troubleshoot issues and replace components under warranty.
 - Any purchases made will conform to Shelter Network purchasing policies and procedures.
- EDM support for workstation software includes the initial installation, re-installation, software upgrades/patches, and configuration changes requested by Shelter Network.
- EDM support for server software includes the initial installation, re-installation, software upgrades/patches, and on-going monitoring of system processes which include daily backup, logs, alarms, and alerts. Software loaded on servers must be approved by EDM support services.
- EDM support for application software includes the initial installation, re-installation, and software upgrades/patches.
 - Shelter Network will pay for any technical support contracts for third-party software that is not commercial-off-the-shelf (COTS) software (i.e., Microsoft Word, Adobe Acrobat, etc). If contracts are not maintained by Shelter Network, the EDM staff will not supply technical assistance for the application.

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- EDM support staff will report directly to the Intake Director, a Shelter Network employee.
 - The Intake Director will establish support priorities for the EDM staff in consultation with the staff and Shelter Network finance director.
 - EDM staff will keep the Intake Director informed of their locations and work performed when onsite.
 - Purchasing decisions for software will be consistent with the approved Shelter Network budget.
 - The Shelter Network will be responsible for purchasing and upgrading software licenses.