

3 **AN ORDINANCE approving the purchase for three**
4 **years (2014, 2015, 2016) of Computer Services for the**
5 **separate and shared infrastructure utilized by the City of**
6 **Fort Wayne and Allen County for an annual cost to the**
7 **City of \$2,503,392 and a total cost of \$7,510,176; from and**
8 **through Atos IT Solutions and Services by the City of Fort**
9 **Wayne, Indiana,**

10 **Whereas,** the City of Fort Wayne and Allen County jointly
11 operate computer systems and networks to benefit of all City and County
12 departments;

13 **Whereas,** the City and County have jointly service providers for
14 shared computing infrastructure since 1988;

15 **Whereas,** the City and County have an negotiated a three year
16 contract extension that maintains a flat services rate for term of the
17 contract and provides a significant reduction in the cost of project
18 services;

19 **Whereas,** the City of Fort Wayne and Allen County wish to
20 jointly contract and share the cost of an IT services through Atos IT
21 Solutions and Services to manage the networks, applications, systems,
22 and hardware currently running in our environment.

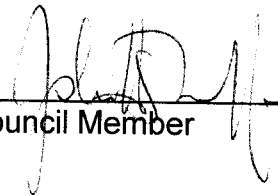
23 **NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL**
24 **OF THE CITY OF FORT WAYNE, INDIANA:**

25 **SECTION 1.** That the purchase of Computer Services for the City's
26 computing infrastructure from Atos IT Solutions and Services for a total of
27 cost to the City of \$7,510,176 over three years is hereby approved in all
28 respects. That said purchase will be used to ensure the proper operation of
29 the computing infrastructure throughout the City.
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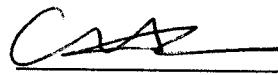
SECTION 2. That the City is authorized and directed to take all action necessary for the purchase of this system by and through Atos IT Solutions and Services.

SECTION 3. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.



Council Member

APPROVED AS TO FORM AND LEGALITY



Carol T. Helton, City Attorney

November 12, 2012

Pat Roller, City Controller
Nelson Peters, County Commissioner
Linda K. Bloom, County Commissioner
Therese M. Brown, County Commissioner
The City of Fort Wayne / Allen County

RE: Extension of Information Technology Services Agreement

Atos IT Solutions and Services, Inc., formerly known as Atos Origin, Inc, ("Atos") and the City of Fort Wayne and the Board of Commissioners of the County of Allen, Indiana ("The City of Fort Wayne / Allen County") wish to amend and extend the Information Technology Services Agreement currently in place between the parties, signed on or about September 3, 2008 (Agreement).

In an effort to prove to The City of Fort Wayne / Allen County our strong desire to continue the trusted partnership we have built over the last 4 years, Atos has crafted a solution which addresses each of your recent requests and include hard dollar cost reductions to our current core services as well as concessions for future cost increases. Our solution provides for several benefits including:

- Concession of Cost of Living Adjustments (COLA) during the proposed extension period
- Allocation of a pool of no-cost project hours for The City of Fort Wayne / Allen County to use as they see fit for future IT project initiatives
- Immediate reduction in costs associated with applications support
- No-cost Applications and Infrastructure Management Assessment
- Base contract billing concession
- Opportunity to eliminate the cost and risk of transition
- Provisions that allow The City of Fort Wayne / Allen County to take advantage of new and future advancements in technology

In total, the value of our proposed offer is approximately **\$2,000,000** in savings to The City of Fort Wayne / Allen County over the proposed three year extension.

These offers have been proposed based on your current and future needs and allow Atos to continue to provide the same outstanding levels of service to your business operations as you have come to expect over the past 4 years. We understand your requirements and have created a solution that will continue to positively transform your environment, while at the same time allowing you to maintain the current service levels, while lowering your costs.

Details of the proposed offers are as follows:

COST OF LIVING CONCESSION

Atos proposes to absorb the Cost of Living Adjustment fees outlined in the current managed services contract for each of the three years of the proposed contract extension term 2014 through 2016. This equates to approximately \$627,000 in savings over the three year proposed term.

NO-COST PROJECT HOURS CONCESSION

In an effort to offset the costs of future IT projects, Atos proposes to provide, at no cost to the City of Fort Wayne and Allen County a pool of 1,000 project hours annually (maximum usage of 250 hours per quarter) during each year of the extension term. This equates to approximately \$390,000 in savings over the three year proposed term.

REDUCTION IN NUMBER OF APPLICATIONS

Atos will immediately implement a program that will reduce the number of applications supported during our day to day operations. This equates to approximately \$552,000 in savings over the three year proposed term.

APPLICATIONS/INFRASTRUCTURE MANAGEMENT ASSESSMENT: CAFÉ LITE

Atos proposes to provide, at no cost to The City of Fort Wayne / Allen County, our proprietary CAFÉ Lite Application/Infrastructure Management Assessment. This exercise will be conducted during the 2013 calendar year by one of Atos' senior consultants and will provide a rough rule-of-thumb qualifier to ascertain whether The City of Fort Wayne / Allen County might benefit from modifications to their current applications or infrastructure environment. The value of this assessment is typically \$50,000.

BASE CONTRACT BILLING CONCESSION

The original contract provided several interpretations on how to bill base Managed Services. In an effort to show good faith and in the spirit of good partnership, Atos chose the billing interpretation most beneficial to the City of Fort Wayne / Allen County. This interpretation reduced the cost of the contract to Fort Wayne / Allen County by approximately \$320,000.

NO RISK OF TRANSITION OR ASSOCIATED COSTS

By accepting our offer to extend the current IT Outsourcing contract for an additional three years, The City of Fort Wayne / Allen County can ensure a seamless support model is offered to its management, departments and constituents with minimal disruption of day-to-day operations and resources. Our proposed offer will allow The City of Fort Wayne / Allen County to forgo these costs, typically \$100,000 or more.

EVOLUTION OF SERVICES

In an effort to ensure that the City of Fort Wayne / Allen County can take advantage of current and future advancements in technology, our contract allows for the modification of current service agreements, which can be modified at any time. Atos continually is in development of new technologies that can provide certain benefits and efficiencies to its Key Accounts. This attached proposal provides for The City of Fort Wayne / Allen County to take advantage of these offerings when, and if, they provide a means to improve the delivery of services to the citizens of Fort Wayne and Allen County and/or provide cost savings. Further details are provided in the attached proposal.

For their mutual benefit and in consideration of the promises contained in this Letter and the included proposal for Extension of Managed Services, Atos and City of Fort Wayne / Allen County, intending to be legally bound, now agree to extend the Agreement for an additional three (3) year term, effective commencing December 31, 2013 and expiring December 31, 2016, unless terminated earlier by its terms.

Except as specifically amended by this Letter, each of the terms and provisions of the Agreement remain in full force and effect.

Please indicate your agreement to this Amendment and Extension of the Information Technology Services Agreement by signing both copies of this letter and returning a copy to me.

Sincerely,

Ryan Schebler
VP Atos
Atos IT Solutions and Services, Inc.

Accepted and Agreed to:

City of Fort Wayne

By: _____
Pat Roller
Title: City Controller

Date: _____

Board of Commissioners of the County of Allen

Date: _____

By: _____
Nelson Peters

By: _____
Linda K Bloom

By: _____
Therese M Brown

Title: County Commissioners

Atos IT Solutions and Services, Inc

By: _____

Name/Title: _____

Date: _____

PRICING TABLE

Prices shown for 2013-2016 assume baseline quantities in place at the time this proposal was prepared. Should quantities increase or decrease from the baseline quantities used at the time this proposal was prepared, pricing will be adjusted accordingly.

RECURRING / ONGOING COSTS		Total Annual Charges			
Category	Service / Description	2013	2014	2015	2016
Base Service	Help Desk Services Recurring Fees	\$ 230,088	\$ 230,088	\$ 230,088	\$ 230,088
Base Service	Desktop Computing Services Recurring Fees	\$ 803,004	\$ 803,004	\$ 803,004	\$ 803,004
Base Service	Network and Servers Services Recurring Fees	\$ 1,500,108	\$ 1,500,060	\$ 1,500,060	\$ 1,500,060
Base Service	App Enhance Maint Supp-Recurring Fees	\$ 2,473,476	\$ 2,473,632	\$ 2,473,632	\$ 2,473,632
TOTAL ANNUAL SERVICES:		\$ 5,006,676	\$ 5,006,784	\$ 5,006,784	\$ 5,006,784



CITY OF FORT WAYNE

THOMAS C. HENRY, MAYOR

Fort Wayne City Council
c/o City Clerk' Office
Fort Wayne, IN 46802

James Haley
CIO
City of Fort Wayne
(260) 427-1461

Subject: Atos Contract Extension

Members of City Council:

This ordinance is to authorize the purchase of computer services for the joint City and County computing environment. The total cost of these services to the City is \$7,510,176. Allen County will also enter this contract at the same rate as the City. Atos IT Solutions and Services has offered the City and County price concessions to extend the current five year contract three additional years.

To explain the nature of the price concessions, some background on the operation of the contract: The services extend into four main areas: desktop support, help desk, applications, and networks. The contract provides set rates for specific quantities of devices or services. As the computing infrastructure grows and shrinks the total bill changes. The base rates stay the same with annual cost of living increases.

The contract also provides rates for additional project services outside the scope of the contract. An example is the custom software development for the Joint Permitting project.

The Atos proposal addresses both types of charges. The cost of living increases are eliminated; the 2013 rate will continue to apply in those years. I expect this to reduce the City and County costs by \$625,000 over the length of the contract.

The Atos proposal also adds 1000 hours per year of project services at no charge. This will save the City and County about \$390,000 over the length of the contract. This will also help department budget constraints when launching new projects.

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Finally, negotiating a contract extension saves at least \$80,000 in the cost of preparing and evaluating a new RFP, plus the additional soft costs incurred by the allocation of staff and resources.

For these reasons, plus the overall satisfaction by the City and County with the job done by Atos over the past four years, I recommend that City Council approve this appropriation.

If you have any questions, please call me at 427-1461.

James Haley
CIO
City of Fort Wayne

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COUNCIL DIGEST SHEET

Enclosed with this introduction form is a tab sheet and related material from the vendor(s) who submitted bid(s). Purchasing Department is providing this information to Council as an overview of this award.

RFPs & BIDS

Bid/RFP #	N/A
Awarded To	N/A
Amount	N/A
Conflict of interest on file?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of Registrants	N/A
Number of Bidders	N/A
Required Attachments	

EXTENSIONS

Date Last Bid Out	2008
# Extensions Granted To Date	None

SPECIAL PROCUREMENT

Contract #/ID (State, Federal, Piggyback-- Authority)	
Sole Source/Compatibility Justification	

BID CRITERIA *(Take Buy Indiana requirements into consideration.)*

Most Responsible, Responsive Lowest	<input type="checkbox"/> Yes <input type="checkbox"/> No <i>If no, explain below</i>
If not lowest, explain	N/A

COUNCIL DIGEST SHEET

COST COMPARISON

Increase/decrease amount from prior years For annual purchase (if available).	For base contract item there is no increase as the rates are frozen at 2013 levels. For additional projects, the cost is reduced up to \$130,000 per year total, and up to \$65,000 for the City.
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DESCRIPTION OF PROJECT / NEED

Identify need for project & describe project; attach supporting documents as necessary.	Contracted Services for Computer, Networks
	Applications, and Help Desk.
	This is shared contract with Allen County.

REQUEST FOR PRIOR APPROVAL

Provide justification if prior approval is being requested.	N/A

FUNDING SOURCE

Account Information.	Fund Dept Org Object = 0010-0002-0260-5314

Read the first time in full and on motion by Shoaff, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at Room 030 - Council Discussion Garden Level - Citizens Square, Fort Wayne, Indiana, on _____ the _____ day of _____, 2012, at _____ o'clock _____ M., E.S.T.

DATED: 11-27-12

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Shoaff, and duly adopted, placed on its passage. **PASSED** LOST
by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>9</u>	_____	_____	_____
<u>BENDER</u>	<u>✓</u>	_____	_____	_____
<u>CRAWFORD</u>	<u>✓</u>	_____	_____	_____
<u>DIDIER</u>	<u>✓</u>	_____	_____	_____
<u>HARPER</u>	<u>✓</u>	_____	_____	_____
<u>HINES</u>	<u>✓</u>	_____	_____	_____
<u>JEHL</u>	<u>✓</u>	_____	_____	_____
<u>PADDOCK</u>	<u>✓</u>	_____	_____	_____
<u>SHOAFF</u>	<u>✓</u>	_____	_____	_____
<u>SMITH</u>	<u>✓</u>	_____	_____	_____

DATED: 12-11-12

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as ~~(ANNEXATION)~~ ~~(APPROPRIATION)~~ ~~(GENERAL)~~ ~~(SPECIAL)~~ ~~(ZONING)~~ ORDINANCE ~~(RESOLUTION)~~ NO. _____ on the 11th day of December, 2012

ATTEST:
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

SEAL
[Signature]
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 12th day of December, 2012, at the hour of One o'clock P M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 12th day of December, 2012, at the hour of 2:00 o'clock P M., E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR

BILL NO. S-12-11-26

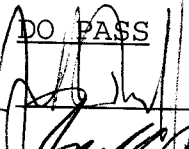
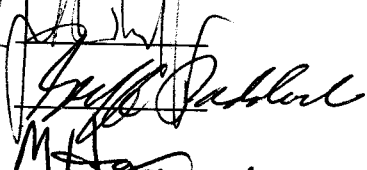

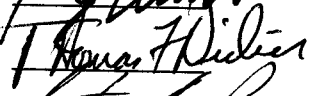
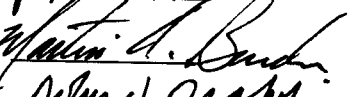
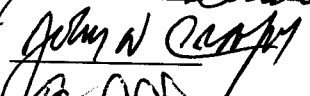

REPORT OF THE COMMITTEE ON FINANCE

NOVEMBER 27, 2012

JOHN SHOAFF – CHAIR
MITCH HARPER – CO-CHAIR
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED AN ORDINANCE NO. S-12-11-26, APPROVING THE PURCHASE FOR THREE YEARS (2014, 2015, 2016) OF COMPUTER SERVICES FOR THE SEPARATE AND SHARED INFRASTRUCTURE UTILIZED BY THE CITY OF FORT WAYNE AND ALLEN COUNTY FOR AN ANNUAL COST TO THE CITY OF \$2,503,392 AND A TOTAL COST OF \$7,510,176; FROM AND THROUGH ATOS IT SOLUTIONS AND SERVICES BY THE CITY OF FORT WAYNE, INDIANA. COMMITTEE OF FINANCE HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE

AKG

<u>DO PASS</u>	<u>DO NOT PASS</u>	<u>ABSTAIN</u>	<u>NO REC</u>
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SANDRA E. KENNEDY
CITY CLERK