

Office of the City Manager

City of Richland Hills, Texas

Memorandum

To: Honorable Mayor Bill Agan and members of the Richland Hills City Council
From: Eric Strong, City Manager
Date: September 16, 2014
Subject: IT Services Bid

Council Action Requested:

Consideration of award of bid for IT Services

Background Information:

Staff has put out a bid for IT services. As council is aware, we do not have a dedicated IT employee to service the needs of the city. We have recently used several different companies, with different levels of satisfaction and success.

We received four responses to the RFP. A summary sheet of anticipated costs is attached. However, it should be noted that the cost should not be the determining factor in awarding the bid. The determining factor should be level of service, and we are in no way obligated to award the bid based on cost. The RFP clearly stated that the order of importance in awarding the bid is as follows:

- Approach and Methodology
- Experience
- Pricing
- Satisfaction of current clients

I have attached the original RFP so that you know what we requested. I have also attached responses from the two companies that staff felt were the top two respondents. Hard copies of the two submittals that are not included in this packet are in your mailboxes at city hall.

At the time this memo is being written, staff is still having ongoing discussions with the top two vendors to clarify some points and ensure appropriate service capabilities. At the meeting, staff will have a recommendation to either select one of the vendors or to table the decision to allow for further consideration and evaluation.

Board/Citizen Input: N/A

Financial Impact: Depends on which bid is selected, but funds are available for either bid in the 2014-2015 budget.

Staff Contacts:

Eric Strong
City Manager
estrong@richlandhills.com

Attachments: Original RFP
Summary of Estimated Costs
Finalists Responses



CITY OF RICHLAND HILLS, TEXAS

REQUEST FOR PROPOSAL INFORMATION TECHNOLOGY SUPPORT SERVICES

Proposals will be received by the City of Richland Hills for Information Technology Support Services. Interested vendors should submit one original and 6 copies of their proposal response documentation in an envelope marked as follows:

IT SUPPORT SERVICES BID: DO NOT OPEN UNTIL SEPTEMBER 3RD AT 10:00 A.M.

Please submit bids to:

Eric Strong, City Manager
City of Richland Hills
3200 Diana Drive
Richland Hills, Texas 76118

Formal proposals must be **received by Wednesday, September 3rd at 10:00 a.m., at which time bids will be publically opened and read aloud.**

Vendors are required to provide as much detail as possible in this proposal, regarding scope of services, approach to protecting and securing the technology used by City users, and their capability and experience. The City will utilize evaluation and selection criteria to determine an acceptable vendor. The City reserves the right to reject any or all proposals or to accept any proposal considered most advantageous, regardless of price.

Copies of the Request for Proposal are available electronically at www.richlandhills.com. Proposals will be public information after bids are opened. Please direct all inquiries to Charles Fletcher at 817-616-3796 or cfletcher@richlandhills.com. Inquiries will be posted to the City of Richland Hills website (inquirers will not be identified, only the questions), with the associated answer. All vendors assume the sole responsibility for monitoring the website for questions and answers. The city bears no responsibility for vendors not receiving current information due to neglecting to check the current status of the proposal on the city website. Any changes or clarifications to the Request for Proposal will be posted exclusively on the city website.

REQUEST FOR PROPOSAL INFORMATION TECHNOLOGY SUPPORT SERVICES

1. INTRODUCTION

The City of Richland Hills is requesting proposals from qualified, professional technology vendors for Information Technology Support Services. The qualified vendor would provide necessary technical services, which would enable the City to:

- Protect and secure its technology facilities
- Ensure the efficient operation of its data processing networks and related computer systems in its defined user community
- Enhance its quality of service for departments defined in the enclosed schedules
- Minimize the spending and maximize the ROI for investment in technology

The ideal vendor will resolve computer systems and network issues in accordance with standard and acceptable maintenance and support benchmarks. The successful vendor will be expected to organize HELP DESK service calls efficiently and to ensure that there is NO significant computer downtime during normal working hours, generally 7:30AM to 5:30PM, Monday through Friday, in addition to 24 hour operations for Public Safety. The vendor is expected to report on status of technology issues and communicate effectively with City departments.

2. BACKGROUND INFORMATION

The City of Richland Hills does NOT have an IT Department and is currently using an outside vendor service to provide maintenance and support on an as needed basis for employees.

There are 12 Microsoft Windows servers being utilized throughout the City's departmental infra-structure. These servers use a variety of software, and are both physical and virtual. They have various memory and hard drive sizing. Other detailed information about the specifications is available for review, as necessary.

There are approximately 80 PC's in the departmental areas to be covered under the service and support agreement with the successful vendor. These PC's are located throughout nine different buildings, eight of which are on a centralized campus. The addresses and locations are available upon request. These PC's vary by manufacturer, aging, specifications, software, and service pack versions. Windows 7 Professional is the prevalent operating system used on the workstations. The City deploys VIPRE as its prevalent anti-virus software and uses various versions of Windows software.

The detail describing the inventory more specifically is available to all bidding parties per request.

Experience in Public Safety Systems and Criminal Justice Information Systems (CJIS) Security Policy preferred. This experience can be noted in the response. Additionally, all IT vendors having access to the City of Richland Hills Public Safety Servers must submit to a fingerprint and criminal history check conducted by the Department of Public Safety in Austin.

3. SERVICES REQUIRED

This section summarizes the services to be provided to the City of Richland Hills in this RFP. The City is looking for a maintenance and support program to be designed under two major categories. These categories are PREVENTIVE MAINTENANCE and AS NEEDED MAINTENANCE, to accommodate departmental computer system activities and user equipment performance. The City expects the vendor proposal to define, in detail, the approach to be used in the above categories. Distinction of time and

material costs for these efforts are important to billing the City and future budget considerations.

A. Initial Assessment

Review of the inventory, update network diagram, assessment of the system architecture and equipment for efficiency, life expectancy, capacity, speed, and current processes, and make recommendations for improving routine support criteria and eliminating emergency maintenance situations. A report of this initial assessment shall be submitted by November 1st, 2014 and each July 1st as long as the contract is in force. This is to allow for necessary budget planning for the upcoming year.

B. Desktop Application Support

Performance of basic support functions, including the installation of PC's, laptops, mobile devices, printers, peripherals, and office software; diagnosis and correction of desktop application problems, configuring of PC's, laptops and mobile devices for standard applications; identification and correction of user hardware problems, with advanced troubleshooting as needed; maintenance of an updated inventory of all related computer related hardware, to make available to City personnel upon request; and implementation of HELP Desk procedures under policy constraints of the successful vendor.

C. Server and Workstation Administrative Services

Management of networks and computer systems, including complex applications, databases, messaging, servers and associated hardware, software, communications, and operating systems, necessary for performance, security, reliability, and recoverability of the systems.

Scheduling of preventive maintenance for equipment in the areas of coverage is properly and promptly performed; maintenance of records for all HELP Desk tickets for on-site visits, remote support and telephone support is available; development of operations and quality assurance for backup plans and procedures are being followed.

Configuration management, including changes, upgrades, patches, etc. is maintained; management of user login's and password security is documented; and support of software products relating to servers and workstations; timely response to repair and maintenance work for the user.

D. Network Administration Services

Maintenance and support of network equipment, including switches, firewalls, routers, and other security devices is included. Installation and maintenance of printers, scanners, network devices et al; analysis, routine configuration changes, and installation of patches and upgrades; minor cabling if needed; alert notifications in case of failure of equipment. Proactive monitoring of network equipment, including performance indicators to report on threshold limitations; network performance and capacity management services; continuous troubleshooting are required.

Maintenance of network documentation for daily, weekly, and monthly services is required.

E. Email, Security and Backup Efforts

Maintenance of City email accounts using the City domain, adding, changing, and/or deleting City employee accounts as requested; maintenance of virus detection programs on the City servers and user computers and laptops; performance of periodic security audits, including notification of suspected breaches of security to the City designated person are required.

Configuration of the City systems to enable remote access in a secure environment, with provisions for remote access administration, as requested by the City Designee is required.

Requirements for a data backup policy, with procedures in place to handle daily, weekly, and monthly backup of the computer, data and information, email, and the like; program to restore systems and data if servers and/or computers go down, are required.

F. Planning

Engineering, planning, and design services for major system enhancements and/or upgrades to existing systems; recommendations for future purchasing and technology needs, when requested or necessary.

Installation of new equipment, software, and transfer existing data when acquired, will be needed.

G. Not Included

The contract to be awarded does not obligate the City to purchase computer equipment, hardware devices, cabling, licenses, software et al from the successful vendor.

4. SUBMISSION REQUIREMENTS

The City is requesting that the proposal submitted address the subjects outlined in Section 3 herein with specificity. The City is looking for content, organized effort, and solution-oriented procedures. The goal is a secure, smooth operating, efficient process, and effective information technology system.

Due to the nature of this proposal, it is requested that each proposal be brief and to the point and consist of no more than ten pages. Each proposal shall provide the following information:

Letter of Transmittal:

The letter of transmittal must contain the following statements and information:

- Company name, address, telephone number(s), and website.
- Name, title, email address, and telephone number of the person(s) to contact and who are authorized to represent the firm and to whom correspondence should be directed.
- Federal and State taxpayer identification numbers of the firm.
- A brief statement of your understanding of the services to be performed and make a positive commitment to provide services as specified.
- The letter must be signed by a corporate officer or person authorized to bind the vendor to the proposal and cost schedule.
- A statement indicating that the proposal and cost schedule will be valid and binding for ninety (90) days following the proposal due date, and will become part of the contract negotiated with the City.

Profile:

1. Provide a short profile of the firm including at a minimum:
 - a) Length of time in business.
 - b) Length of time in providing proposed services.
 - c) Number of clients.
 - d) Number of clients in the public sector.
 - e) Number of full-time employees and area of involvement: Technical Support, Programming, Consulting, Sales Support, Administrative Support
 - f) Location of office to service the account.
 - g) Small, Minority-owned, and Woman-owned business, if applicable.

Proposal:

1. Description of the approach the firm will use in providing the services requested. Description of how the firm is positioned to provide the services requested, with a history of experience on providing similar services.
2. Name, title, address, and telephone number of three references for clients, whom similar services

- have been provided, including information referencing the actual services performed, number of users, and length of tenure. References of other Public Sector clients would be beneficial.
3. Naming of staff resources, with identification of principals and key personnel,
 - a. who are available to provide the services (The city prefers one primary point of contact or project manager);
 - b. experience and expertise of staff;
 - c. local availability of staff is an important consideration
 - d. role and responsibilities that each staff member will have.
 4. Support services questions to be addressed:
 - a. Help Desk Description
 - b. Support availability (days of week and time, including how you will deal with after hours and weekend calls)
 - c. Toll free number
 - d. Structure of charges for support
 - e. Steps for resolving problem escalation
 - f. Final authority regarding conflicts
 - g. Response time and goal for resolving problems
 5. Explanation of any contract termination for default or other incident in the past five years. Termination for default is defined as notice to stop services for non-performance or poor performance, and issue was either litigated or not litigated. If default occurred, list name, address, and telephone number of the party. If NO such termination occurred for default, declare it. The City will evaluate the facts, and may, at its sole discretion, reject the vendor's proposal.
 6. Scope of services beyond the RFP that the firm provides which may be of interest to the City.
 7. Proposal summary, including why the firm is pursuing the work and how it is uniquely qualified to perform the services.

Draft Contract Language

The vendor shall submit a draft contract.

Reports

The vendor shall submit service reports on a monthly basis, summarizing service and IT policy issues. The Vendor must be available to meet with the City Manager or designated staff member to review periodically scheduled reports and discuss issues.

Cost of Services

The City is requesting that the vendor submit a FIXED FEE service contract for ongoing maintenance items along with an hourly rate for troubleshooting, desktop maintenance and other projects for a twelve month period, with an option to renew for four successive twelve month periods. Each twelve month period must be shown separately. Payment schedule should also be included (ie monthly, bi-weekly, etc).

As a bid alternate, vendor should also submit a FIXED FEE service contract for an all-inclusive service and maintenance, with the understanding that major projects will be negotiated on an as needed basis.

Vendors may also submit other alternative packages that they feel would meet the needs of the City as an included alternate bid.

Vendors must list, specifically, any services which would not be covered in the proposal price. The vendor shall indicate the impact, if any, of changes in the City's IT infrastructure (number of servers and PC's) on the fixed fee. Identify the following for those services not under the fixed fee:

- a) A fee schedule containing the vendor hourly rates
- b) A description of how services will be billed
- c) A description of additional charges, as in out-of-pocket expenses for travel, subsistence, etc.

5. Evaluation Criteria

A selection committee, appointed by the City Manager, will review the vendors' qualifications. From this review, an evaluation and selection process will be completed using the following criteria as a benchmark for making a recommendation. The City Council will award the contract to the vendor who provides a proposal that it determines provides the best value for the City. The criteria are shown below and are listed in relative order of importance:

- A. Approach and Methodology**
- B. Project Staffing and Experience**
- C. Pricing**
- D. Satisfaction of Clients/End Users**

A rating system will be used to evaluate the proposals based on the above criteria. The award of the contract will be made to a firm, whose proposal receives a favorable evaluation and recommendation of the selection committee, with final approval by the City Council. The City reserves the right to accept whichever proposal is felt to be in the best interest of and provide the best value to the City of Richland Hills as well as to reject any and all bids for any or no reason.

6. Miscellaneous

The City Council reserves the right to reject any or all proposals for failure to meet the requirements contained herein, to waive any technicalities, and to select the proposal which, in the Council's sole judgment, best meets the requirements of the program.

The RFP creates no obligation on the part of the City to award a contract or to compensate the Bidder for any costs incurred during proposal presentation, response, submission, presentation, or oral interviews. The City reserves the right to award a contract based on proposals received without further discussion or negotiation. Vendors should not rely upon the opportunity to alter their qualifications during any discussions.

The City further reserves the right to make such investigation as it deems necessary, to determine the capability of the vendors to furnish required services, and vendors shall furnish all such information for this purpose as the City may request.

Vendors must specifically identify any portions of their submittals, deemed to contain confidential and proprietary information, or trade secrets. However, the vendor should also understand that information submitted may be subject to Texas Open Records Act Laws and may be disclosed if requested.

All requests from the vendor for additional information must be made in writing (includes email), and this information provided will be made available to all vendors at the discretion of the City.

Monthly Charges	Net Team	Versa Trust	Marjen	Anvicare
Estimated Hourly Charges	\$2,200	\$2,300	\$0	\$0
Estimated Emgncy After Hrs	\$1,100	\$863	\$0	\$0
Server Maintenance	\$420	\$3,000	\$3,000	\$0
Desktop monitoring	\$800	\$800	\$5,200	\$0
Backup Solution	\$705	\$1,300	\$2,250	\$0
Managed Network	\$0	\$0	\$398	\$0
Other	\$0	\$0	\$170	\$0
Total Monthly Costs	\$5,225	\$8,263	\$11,018	\$3,750
Total Annual Costs	\$62,700	\$99,150	\$132,216	\$45,000

1 time Start Up costs	\$11,000	\$0	\$0	\$0
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*Estimated hourly charges are based on 20 hours of support per month regular time and 5 hours emergency time.



IT Support Services Proposal

City of Richland Hills, Texas

Table of Contents

I.	Letter of Transmittal	2
II.	Company Profile	3
	Overview	
	Experience	
	Location and Clients	
III.	Proposal	4
	Role and Responsibility	
	Services Proposed	
	a. Preventative Maintenance	
	b. As Needed Maintenance	
	c. Initial Assessment	
	d. Desktop Application and Printer Support	
	e. Server and Workstation Administrative Services	
	f. Network Administration Services	
	g. Email, Security and Backup Efforts	
	References	
	Staff Resources / Key Personnel	
	a. Lan Nguyen – Senior Network Engineer	
	b. Justin Beck – Senior Network Engineer	
	c. Kevin Shenk – Founder/Vice President/Senior Network Engineer	
	Support Services Specifics	
	a. Help Desk	
	b. Support Availability	
	c. Structure of Support Charges	
	d. Steps for Resolving Problem Escalation	
	e. Final Authority Regarding Conflicts	
	f. Response Time and Issue Resolution Goals	
	Client Contract	
	Summary	
IV.	Cost of Services	8
	a. Hourly Rates	
	b. Server Monitoring/Anti-virus	
	c. Workstation Monitoring/Anti-virus	
	d. Server Backup with Local Plus Offsite Replication	
	e. Workstation Backup (As Needed)	
	Projects Proposed	
	a. Server Room Cleanup	
	b. Additional Switch for Firewall	
	c. Backup, Anti-Virus, Monitoring Migration	

Letter of Transmittal

Company Information

Net Team Technologies
5628 Twitty Street
The Colony, Texas 75056
469-269-6302
www.netteamtech.net

Federal Tax ID: 20-3844589
State Tax ID: 1-20-3844589-1

Authorized Representative Information

Kevin Shenk
Founder, Vice President
kshenk@netteamtech.net
469-877-8686

Scope of Proposal

Net Team Technologies is submitting this IT support services proposal to the City of Richland Hills, Texas, for consideration on September 3rd, 2014. Net Team understands its responsibilities would include; ongoing network assessment, network documentation, desktop/server support, network administration, network connectivity/uptime, e-mail services, backup, data integrity, data security, and IT project planning.

This proposal and pricing will be valid and binding for ninety (90) days following September 3rd, 2014.

Kevin Shenk
Founder, Vice President

Company Profile

Overview

Net Team Technologies provides fully custom IT solutions to fit your specific needs. Our service ranges from hardware/software sales, network infrastructure, server configuration and maintenance to full scale administration of your IT requirements.

We strive to build lasting business relationships with our clients by providing direct access to our support technicians, quality technology advice, and top notch support with competitive pricing. Our clients enjoy the ability work directly with their support representatives without having to submit requests to a support queue or deal with long hold times.

Our staff is highly trained, experienced, and motivated to meet and exceed your technology requirements.

Net Team Technologies provides a "one stop shop" experience for your technology needs. There are several major advantages you can gain by ordering directly from Net Team.

Most solutions must be sized or licensed in a way that fits a client's network and usage. Net Team will eliminate the guess work by gathering that information for you when it is required. We will also provide competitive pricing whether the product is from one of our partner companies or from another source.

One single support representative will not only help identify the problem and possible solutions, but actually order, install, and support that product on a continuing basis. This will greatly reduce the time and cost for your technology support.

Net Team Technologies strives to provide our clients with secure, reliable, and cost effective solutions. We accomplish this by combining our years of IT experience with industry leading providers of technology solutions.

Experience

Kevin Shenk founded Net Team Technologies in 2005 after twenty years' experience in the Information Technologies business supporting a wide variety of organizations including; municipality, banking, medical, and industrial. He then built a team of highly trained and experienced technology professionals with a wide variety of technical backgrounds.

Net Team currently employs five full time IT Support Representatives with extensive knowledge and experience supporting desktop, server, software, and network administration. All five employees are technicians and four also perform as consultants. Two employees also handle sales and one employee is responsible for programming requests.

Location and Clients

Net Team Technologies operates with a virtual office. We have a leased data center in Dallas for servers/systems and then each employee works from a home office. This allows Net Team to keep costs down, and prices low, while being spread out and able to service our customers more effectively. We have two employees currently in Fort Worth, one within six miles from City Hall, which will be mainly responsible for servicing the City of Richland Hills.

Net Team currently services forty five clients in and around DFW and North Texas. We also maintain networks in various cities across the US for our client's regional offices. Five of these clients are public sector, including three cities and one county.

Proposal

Role and Responsibility

Net Team acknowledges that the City of Richland Hills does not have an internal IT department and will need to assume responsibility for maintaining and supporting the city's twelve servers, eighty desktops, and variety of networking equipment and connections. Net Team also understands providing accurate reports, working with city employees, and future project planning will be essential in the effective operation of the city's IT infrastructure.

Services Proposed

a. Preventative Maintenance

Net Team deploys monitoring tools on servers, desktops, laptops, and key network equipment such as firewalls and routers. This allows Net Team to maintain system hardware/software inventory, monitor and responds to potential and actual failures, detected malicious programs and viruses, and capture login failures. The monitors generate alerts directly to Net Team where one of our technicians will review and perform correction as needed. All changes and issues that require action will be documented in our Help Desk system.

b. As Needed Maintenance

Issues outside of preventative maintenance such as outages, end user problems, file restore requests, etc., if they are not alerted to Net Team by automatic monitoring, will be handled by a direct request to your primary support representative or by submitting a ticket on our Help Desk web site. All support requests will be tracked by the Help Desk site through resolution and service ticket recaps will be provided to the city weekly and as needed.

c. Initial Assessment

Net Team will perform a full inventory of desktops, servers, and network equipment. We will install inventory management and monitoring software on all desktops and servers. Net Team will also create a detailed network diagram and commit to keep it updated as changes are made. We will

provide ongoing assessment and monitoring of existing hardware to provide system reliability, preventative maintenance and upgrade schedules.

d. Desktop Application and Printer Support

Net Team will install, maintain, and troubleshoot issues with desktop computers, laptops, software, and peripherals. We will install, configure, and troubleshoot desktop and network printers. Basic printer troubleshooting such as, paper jams, and connectivity issues can also be handled by Net Team. Major repair and part replacement for printers and scanners may require service by an authorized facility. In this event, approval will be obtained for repair cost and removal of any hardware for service. In some cases, specific applications will require software licensing, upgrade, and support contracts between the city and the software/hardware vendor. Net Team will review and assist with these software/hardware vendors as needed.

e. Server and Workstation Administrative Services

Net Team will install, maintain, monitor, inventory, and secure servers and desktop computer systems. We will also be responsible for backing up, verifying, and restoration of data and systems on city servers. Desktop and laptop backups are available as needed. Net Team will be responsible for scheduling preventative maintenance, configuration changes, and software patches on the city's computer systems.

f. Network Administration Services

Net Team will install, maintain, inventory, document, and secure network equipment including firewalls, switches, routers, and other network appliances. Key network devices such as firewalls and routers will be monitored for availability, performance, and preventative maintenance. Net Team will be responsible for scheduling preventative maintenance, configuration changes, and software patches on the city's network systems.

g. Email, Security and Backup Efforts

Net Team will administer email, network access and security. New user access and termination requests should be directed to the primary support representative or by submitting a ticket on Net Team's Help Desk web site. Server and network security monitoring, including malware and network penetration, will be handled, reviewed and reported on by Net Team. We highly recommend and provide annual network penetration testing, vulnerability assessment, remediation and reporting. See Cost of Services section for details on Network Penetration Testing. Net Team utilizes the Barracuda Backup service to provide reliable local and offsite backup of server and file data. We run daily full backups of all servers and data retention will be set to seven days, four weeks, 3 months, and a yearly backup. Net Team will be responsible for monitoring backup job completion, storage, and performing all data restore requests.

h. Planning

Net Team will provide network and systems planning for upgrades and enhancements for new and existing systems on an ongoing basis as needed. We will verify upgrade paths, data migrations,

backup, etc. for all upgrades and enhancements of city IT infrastructure.

i. Hardware and Software Sales

Net Team provides, as a service and convenience to our clients, analysis of needs/requirements, selection of components/devices, and competitive pricing for all hardware and software purchases. Net Team maintains strategic business partnerships with HP, Microsoft, Cisco, Barracuda Networks, and others to provide the best possible pricing and services to our clients. We also understand that the city is under no obligation to purchase equipment and/or software from Net Team.

References

Kurt Joye
MIS Manager
Office (817) 333-3440
Fort Worth Housing Authority
1201 E. 13th Street
Fort Worth, Texas 76102
kurt@ftwha.org

Mark Eder
IT Director
Office (817) 426-9672
City of Burleson
141 W. Renfro St
Burleson, Texas 76028
meder@burlesontx.org

Debbie Reaves
VP & Cashier, COO
Office (940) 249-5290
Jacksboro National Bank
910 N. Main
Jacksboro, Texas 75458
dreaves@mybanktexas.com

Staff Resources / Key Personnel

a. Lan Nguyen – Senior Network Engineer

- Bachelor's Degree in Management, Associates Degree in Network Administration
- 6 Years' Experience as an Network Administrator/Network Engineer
- 3 Years' Experience as Network Administrator for Fort Worth Housing Authority in the Public Sector
- Certifications
 - A+, Network +, CCNA, MCITP Enterprise Desktop Support Technician, MCITP Enterprise Desktop Administrator, MCITP Enterprise Administrator Windows Server 2008, MCITP Enterprise Messaging Administrator on Exchange 2007
- Lan is located within 6 miles of Richland Hills' City Hall

b. Justin Beck – Senior Network Engineer

- Bachelor's Degree in Management Information Systems, UTA 2003
- 15 Years' Experience in IT, 8 Years' Experience as Network Administrator/Network Engineer
- Extensive knowledge of Server, Desktop, Network Administration, Microsoft SQL, Exchange, Visual Basic programming language, SQL, ASP, and various web development languages.
- 6 Years' Project Management Experience.
- Justin is located within 22 miles of Richland Hills' City Hall

c. Kevin Shenk – Founder/Vice President/Senior Network Engineer

- Attended Bethel College, St. Paul Minnesota and University Of Minnesota Pre Med
- 5 Years' Vice President of Software Development/Consulting for Spears & Associates – Worked with Top 100 Banks in the Country

- 19 Years' Experience in Computer Networking, Network Security, Systems and Network Consulting, Business and Relationship Management
- Extensive experience Public and Commercial sector on Windows Desktop and Server Platforms, Compliance, Network Security, Network Design, Cisco Firewall, Switch and Router Configuration, Barracuda Hardware Platforms, and Project Management
- Kevin is located within 32 miles of Richland Hills' City Hall

Support Services Specifics

a. Help Desk

Net Team utilizes a web based help desk system at <https://support.netteamtech.net/> . This system allows for ticket submission and tracking by our clients as well as tracking and billing for Net Team. Once a client is added, users can create an account if so desired to submit support requests to Net Team. Users authorized by the client can be give the ability to view all issues Net Team is working for the client and track any status relating to them.

b. Support Availability

Regular support hours are between 7:30am and 5:30pm, Monday through Friday. After-hours support is available for scheduled network maintenance and emergency cases.

c. Structure of Support Charges

Net Team charges are based on time and materials billed in fifteen minute increments. There are no minimums and no trip fees. Some services are subscription based and are detailed in the Cost of Services section.

d. Steps for Resolving Problem Escalation

The normal process for issue resolution is to call or email your primary support representative. A ticket submission is also an effect means to issue resolution. The primary support representative will at this point handle the issue directly, or coordinate with an alternate resource if needed to resolve the issue.

e. Final Authority Regarding Conflicts

Kevin Shenk, Net Team's founder and Vice President, will be the final authority on Net Team's side for any conflicts not able to be handled directly by your primary support representative.

f. Response Time and Issue Resolution Goals

Net Team can commit to a maximum four hour response time for normal issues. Outages and emergencies take precedence and the first available technician will be tasked with the issue contact will be made within two business hours of the initiation of the request. In most cases this will be immediate response to a phone call. If it is determined a technician needs to be onsite to further investigate the issue one will be dispatched with anticipated arrival within two hours to remedy the situation. Net Team strives to complete any and all issues with care and consideration. Our staff takes ownership of any given issue and will handle it through to completion.

Client Contract

Net Team focuses on partnering with our customers and providing excellent service and support. We have had zero instances of customer contract terminations and are proud of the fact that our customers frequently refer Net Team to their partners and associates.

See attached contract draft documents; Agreement SLA, and Appendix.

Summary

Net Team has the resources, expertise, and ability to maintain the City of Richland Hills network in an efficient, professional, and cost effective manner. Our staff is highly trained and experienced in dealing with clients in the Public Sector. We look forward to the opportunity to serve your needs and thank you for your consideration.

Cost of Services

Net Team Technologies operates on a time and materials basis. Labor is charged at an hourly rate and all other services charges are listed below.

a. Hourly Rates

Net Team charges an hourly rate of \$110 per hour, billed in fifteen minute increments. There are no minimums and no trip fees. Scheduled after-hours maintenance is also billed at \$110 per hour and emergency after-hours maintenance is billed at \$220 per hour. Scheduled maintenance requires forty eight hour notice and after-hours is considered anytime outside of normal business hours 7:30am – 5:30pm Monday through Friday including holidays. In our experience, an hourly rate is more cost effective to the customer than prepaying for a predicted block of hours.

b. Server Monitoring/Anti-virus

Server Monitoring and Anti-Virus is billed at \$35 per server per month. For the proposed twelve servers, the monthly cost will be \$420.

c. Workstation Monitoring/Anti-virus

Desktop Monitoring, Anti-Virus, content filtering, and patch management is billed at \$10 per workstation per month totaling \$800 per month for the proposed eighty desktops\laptops.

d. Server Backup with Local Plus Offsite Replication

Net Team utilizes Barracuda Backup Systems for Server backup with local plus offsite duplication, backup job monitoring, and reporting cost is \$2799 per year based on an estimated 1000GB of total data storage. We believe this capacity will be adequate for the city but will require a thorough analysis of data storage prior to final recommendation and cost.

e. Workstation Backup (As Needed)

Most workstations have the ability to save documents directly to the file server when connected to the local network. In the case of remote desktops/laptops where critical data may be stored locally and not on the file server, file backups are available as a shared backup plan sold in 25GB increments at \$10 per 25GB per month.

f. Network Penetration Testing/External Vulnerability Assessment

Net Team utilizes industry leading penetration testing and vulnerability assessment tools. We recommend at minimum one annual penetration and external vulnerability assessment be ran against the city's Internet facing systems. Net Team will provide a report of discovered vulnerabilities and handle remediation and/or mitigation of any found issues. The cost per pen test is \$2500 per 16 IP addresses plus Net Team's hourly rate for alleviation of any discovered issues.

Projects Proposed

a. Server Room Cleanup

In our initial visit with the Charles Fletcher, a need to clean up cabling and reorganize equipment in the main server room in the Police Department was evident. This project will involve purchase of an additional server cabinet, shelving, patch cables, and two days to complete with two technicians on-site. Estimated cost for equipment would be \$1000 plus \$3520 in labor.

b. Additional Switch for Firewall

Another item discussed during the on-site visit was the need for an additional switch to be added to replace the usage of the Cisco ASA firewall Ethernet ports. This will add additional available connections and also increase the link speed available to those devices communicating on the internal LAN from 100Mbps (Fast Ethernet) to 1000Mbps (Gigabit Ethernet). Cost for a twelve port Gigabit Cisco Managed switch estimated at \$400 and the labor will be included as part of the Server Room Cleanup project.

c. Backup, Anti-Virus, Monitoring Migration

The initial transition to Net Team monitoring, anti-virus programs, and server backup will take an estimated thirty minutes per desktop and one hour per server. Total labor for the initial migration will be \$5720.

APPENDIX "A"

Statement of Work City Of Richland Hills Remedial Onsite/Remote Support and Repair Services

This Statement Of Work is under the terms and conditions of the Master Agreement dated _____, between F.C.S.I., Inc., (Net Team Technologies) and the City Of Richland Hills (City).

General

Net Team Technologies is in the business of selling Computer Hardware, Networking, providing Service, Networking and Application Support and Service Plans for computers and other related electronic devices.

The City wants Net Team Technologies to deliver the on-site and/or remote support services and networking services as defined in this agreement and in accordance with the following Statement of Work.

Basic Guidelines

Net Team Technologies normal operating hours are from 7:30 a.m. to 5:30 p.m. Monday through Friday except for company holidays. Net Team Technologies is available for after hours support or services with 48 hour prior notice prior to the time the service is required, for weekends notice must be received no later than the Thursday prior to the weekend the support is requested.

Net Team Technologies will provide a list of contacts that may be used by the City at their discretion. Net Team Technologies will respond to service and support requests from any employee of the City that has been designated or authorized by City officials.

In the event of an emergency that requires immediate attention after normal business hours, Net Team Technologies will provide the City with a list of individuals that may be contacted to initiate a response to the emergency.

Response Times To Service Or Support Requests

While all computer and network problems and issues can cause an inconvenience for our valued customers we strongly believe that our response to major issues within our clients network infrastructure should take precedence over standard or scheduled maintenance. Thus, Net Team Technologies has designed three categories of support/service based upon the critical or non-critical nature of the tasks or issues that may arise. These categories are Network/Hardware Down Emergency, Standard Service/Support and Scheduled Maintenance Service/Support. The three categories are defined as follows;

Network/Hardware Down Emergency – Defined as a critical network connection failure or a critical device on the network failing.

1. Net Team Technologies will respond to the support request within 2 business hour of the initiation of the request. The initial response will in most cases be via phone call to the originator of the request to further diagnose the issue prior to taking any action. In many cases issues may be resolved through secure remote connections to the device(s) that are experiencing the problems. However, if it is determined that an on-site service call must be made Net Team Technologies will dispatch an engineer or service technician to City within 4 business hours of the initiation of the request.

APPENDIX "A"

2. If in the event a replacement part must be obtained from the manufacturer of the equipment, Net Team Technologies will order warranty parts for the failed part and make arrangements for the installation of the part. If the device is no longer under warranty, Net Team Technologies will provide information to the City regarding the cost of the part including shipping if applicable and receive approval prior to ordering and installing the non-warranty part.

Standard Service/Support - Defined as important service and support issues not deemed to be critical in nature but causing an inconvenience in departmental workflows.

1. Net Team Technologies will respond to the support request within 4 business hours of the initiation of the request. The initial response will in most cases be via phone call to the originator of the request to further diagnose the issue prior to taking any action. In some cases the issue may be resolved through secure remote connections to the device(s) that are experiencing the problems. However, if it is determined that an on-site service call must be made Net Team Technologies will dispatch an engineer or service technician to the City within 8 business hours of the initiation of the request.
2. If in the event a replacement part must be obtained from the manufacturer of the equipment, Net Team Technologies will order warranty parts for the failed part and make arrangements for the installation of the part. If the device is no longer under warranty, Net Team Technologies will provide information to the City regarding the cost of the part including shipping if applicable and receive approval prior to ordering and installing the non-warranty part.

Scheduled Maintenance Service/Support – Defined as non-critical in nature as well as not affecting workflows. The requests will be typically, hardware or software upgrades to systems, new installations, etc.

1. Net Team Technologies will respond to these requests with 4 business hours of the initiation of the request. The initial response will be via phone to discuss what tasks are to be completed and to schedule when the tasks are to be performed. Since these requests are deemed non-critical and need to be scheduled, Net Team Technologies will ensure that an engineer or service technician will be available for the scheduled appointment date and time within 8 business hours of the initiation of the request if required.
2. If in the event a replacement part must be obtained from the manufacturer of the equipment, Net Team Technologies will order warranty parts for the failed part and make arrangements for the installation of the part. If the device is no longer under warranty, Net Team Technologies will provide information to the City regarding the cost of the part including shipping if applicable and receive approval prior to ordering and installing the non-warranty part.

Warranty/Non-Warranty Repairs

Net Team Technologies will make every attempt to determine the warranty status of a part that has failed. In the event the part is in fact covered under a manufacturer or extended warranty, Net Team Technologies will order the part on behalf of the City. In some instances part return shipments are not covered under the manufacturer warranty, the City will be responsible for the cost of returning the failed parts to the manufacturer in this case. Warranty part replacement will be charged according to Net Team Technologies standard time and materials rate.

Non-warranty parts that are acquired to make reparations to equipment will carry a limited warranty by the parts supplier, in most cases this is a 90 day warranty. Non-warranty parts will be under warranty only to the date provided by the parts supplier. Net Team Technologies will not be held responsible for any failed parts or labor to replace the non-warranty parts that may fail within this warranty period.

APPENDIX "A"

Standard Support and Service Rates

The following rates will apply for networking/software support and hardware services, Net Team Technologies reserves the right to increase these rates as well as other services during each 12 month contract period with (30) written notice prior to the end of the contract term:

On Site Networking/Software Support - \$110 Per Hour, billed in 15 minute increments upon arrival to the City location and thereafter through the remainder of the support call.

Remote Networking/Software Support - \$110 Per Hour billed in 15 minute increments.

After Hours Scheduled Support – This support requires a 48 hour notification or previously weekly or monthly scheduled task, this is solely for service that cannot be performed during normal business hours due to impact on the City's computing environment. \$110 Per Hour billed in 15 minute increments.

After Hours Emergency Support - \$220 billed in 15 minute increments.

Security

Net Team Technologies is very conscious of the need for the highest level of security to be maintained while performing any type of service for the City. Net Team Technologies will take every precaution to maintain system integrity and only access systems or data that we have been given authorization to access by the City officials. It is Net Team Technologies understanding that the access is provided only for the purpose of diagnosing problems, performing system repairs, software installation and support, network support or upgrades requests that we have received by the City.

In the event that Net Team Technologies identifies a potential security threat to the City's network Net Team Technologies will bring this information to the attention of the City officials immediately and provide suggestions or a solution to secure the network against the potential threat.

Term

The term of this Statement of Work is one (1) years. This Statement of Work will continue from year to year after the Initial Term, unless terminated in accordance with the terms of this Agreement

APPENDIX "A"

Accepted by:

"City"
City Of Richland Hills

By: _____
(Authorized Signature)

(Printed Name)

(Title)

(Date)

Accepted by:

"Net Team Technologies"
F.C.S.I., Inc.

By: _____
(Authorized Signature)

(Printed Name)

(Title)

(Date)



SERVICE LEVEL AGREEMENT GENERAL TERMS AND CONDITIONS

THIS AGREEMENT made as of the _____, by and between F.C.S.I, Inc. ("Net Team Technologies"), a Texas corporation with it's place of business at 5628 Twitty Street, The Colony, Texas 75056, and the City Of Richland Hills, Texas ("City"), a Texas local government agency with its principal place of business at 3200 Diana Drive, Richland Hills, TX 76118.

1. TERM AND TERMINATION

This Agreement shall be in effect beginning on the date of its execution by Net Team Technologies (the "Effective Date") and will have an initial term of one (1) years. This Agreement will continue from year to year after the Initial Term, unless terminated in accordance with this Section.

Either party may terminate this Agreement as of the last day of the Initial Term by providing thirty (30) days written notice prior to the end of the Initial Term.

If City fails to make payment to Net Team Technologies pursuant to this Agreement when such payment is due, and does not fully cure such failure within ten (10) business days after receipt of written notice thereof from Net Team Technologies, Net Team Technologies may, in addition to any other rights it may have under this Agreement, terminate this Agreement.

If either party fails to perform any material obligations hereunder, other than failure to make payments to Net Team Technologies, and does not fully cure such failure within thirty (30) days after receipt of written notice from the non-defaulting party. the non-defaulting party may, in addition to any other rights it may have under this Agreement, terminate this Agreement.

2. SERVICE AGENCY; Net Team Technologies

City hereby appoints Net Team Technologies as a service agency for the performance of services listed in the Statement of Work ("SOW(s)") attached hereto as Appendix A, (collectively and/or individually designated as "Services"). Net Team Technologies will provide the Services for City's End User(s) (the "End User(s)"). Services shall commence upon the execution of a mutually agreed upon SOW. This Agreement includes Appendix A, which is incorporated herein and forms a part hereof by this reference.

City and Net Team Technologies, and their respective agents, shall render all Services as Independent Contractors, not as employees or agents of the other. Neither party nor, any of its agents or employees shall hold themselves out as employees or agents of the other party in connection with the performance of Services or any other matter.

3. ORDER OF PRECEDENCE

In case of conflict between the terms and conditions of this Agreement, as it pertains to the delivery of Services, and the terms and conditions of a SOW, the terms and conditions of the SOW shall prevail, provided both parties have executed the SOW.

4. INVOICING, PAYMENT, PRICE CHANGES AND TAXES

Payments shall be made in full within **30** days following the invoice date. If City is delinquent in the payment obligations under this Agreement, interest at the rate of 18% per year, or the maximum rate permitted by law, whichever is less, will be assessed. If City defaults in the payment of any invoice, in addition to Net Team Technologies's other remedies, Net Team Technologies may modify the above payment terms upon notice to City.



If Services are provided which are outside the scope of this Agreement, such amounts shall be invoiced on a time and materials basis as such Services are provided. Hourly rates shall be Net Team Technologies's then-current rates in effect when the Services are performed, and shall be payable as specified in the invoice for such charges.

City agrees to pay amounts equal to any applicable taxes, including, but not limited to, sales and use taxes, resulting from any transaction under this Agreement, excluding taxes based on Net Team Technologies's net income.

5. NON-SOLICITATION OF PERSONNEL

City will not employ for the same or a similar job any current employee of Net Team Technologies or an agent of Net Team Technologies to perform duties in support of this Agreement.

6. CONFIDENTIALITY

The parties agree that all information and data of the other party on which each party has access under this Agreement will be treated as confidential information. For the purpose of this Agreement, "Confidential Information" shall include any information and data of a confidential nature, including but not limited to proprietary, developmental, technical marketing, sales, operating, performance, cost, know-how, business and process information, computer programming techniques, and all record bearing media containing or disclosing such information and techniques which is disclosed pursuant to this Agreement. All Confidential Information shall be held in strict confidence by each party, using the same standard of care used by the receiving party to protect its own Confidential Information, but in no event less than a reasonable standard of care, and shall not be used or disclosed for any purpose except as necessary to implement or perform this Agreement. All Confidential Information exchanges between the parties pursuant to this Agreement shall:

- a. If in written physical form, be marked "Confidential" or similar legend by the disclosing party before being turned over to the receiving party;
- b. If disclosed orally, be reduced to writing and sent to the non-disclosing party within ten (10) working days of the disclosure; and
- c. Not be copied or distributed, disclosed, or disseminated in any way or form by the receiving party to anyone except its own employees, who have responsible need to know the Confidential Information;

Information shall not be considered confidential if; (i) the receiving party is already in possession of the information prior to the Effective Date; (ii) the information becomes part of the public domain through no fault of the receiving party; (iii) the receiving party obtains the information from a third party without violating this provision; (iv) the information is released in writing by the disclosing party so that the receiving party may make public disclosure, or (v) is disclosed pursuant to a government regulation or court order.

Upon the cancellation or termination of this Agreement, the receiving party agrees to return to the disclosing party any Confidential Information in its possession upon the written request of the disclosing party. The parties' obligations regarding Confidential Information shall expire one (1) year following the termination or expiration of this Agreement.

7. DISCLAIMERS AND LIMITATION OF LIABILITY

NET TEAM TECHNOLOGIE'S OBLIGATIONS UNDER THIS AGREEMENT ARE IN LIEU OF ALL WARRANTIES, EXPRESS OR IMPLIED. REGARDLESS OF WHETHER ANY REMEDY SET FORTH HEREIN FAILS OF ITS ESSENTIAL PURPOSE OR OTHERWISE, NET TEAM TECHNOLOGIES WILL NOT BE LIABLE FOR INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF PROFITS OR INCOME, OR LOSS OF USE OR OTHER BENEFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED UNDER THIS AGREEMENT.



Net Team Technologies will accept liability for claims due to personal injury or damage to real property or tangible personal property caused by the negligent acts or omissions of Net Team Technologies. During the initial twelve (12) months of this Agreement, Net Team Technologies's liability hereunder for all other actual loss or damage, including but not limited to breach of contract claims, is limited to, in the aggregate, the amount paid by City to Net Team Technologies during the initial 12-month period, less any claims previously paid. Thereafter Net Team Technologies's liability hereunder for all other actual loss or damage, including, but not limited to, breach of contract claims, is limited to, in the aggregate, the amount paid by City to Net Team Technologies during the prior 12-month period, less any claims previously paid.

8. CITY'S RESPONSIBILITIES

City is responsible for ensuring that all of its End-Users' files are adequately duplicated and documented. Net Team Technologies is not responsible for City's failure to do so, or for the cost of reconstructing data stored on disc files, tapes, memories, etc., lost or damaged during the performance of Services. City is responsible for ensuring that (1) all software installed on equipment is properly licensed for use by the equipment user; (2) its End Users implement and take responsible measures to prevent and detect computer viruses on equipment, and within the environment subject to the Services.

9. CORESPONDENCE AND COMMUNICATION; LEGAL NOTICE

All routine or operational correspondence or communications between the parties shall be to the following respective address, fax or telephone number:

If to City:

City Of Richland Hills
3200 Diana Drive
Richland Hills, TX 76118
Telephone: 817-616-4207
Fax Number: 817-616-3808

If to Net Team Technologies:

F.C.S.I, Inc.
5628 Twitty Street
The Colony, Texas 75056
Telephone: 469-877-8686

Any legal notice required or permitted to be given hereunder shall be in writing and may be given by delivering (by hand or nationally recognized overnight delivery service), or mailing it by registered or certified mail, and such notice shall be sufficiently given if addressed to City at the address above, or if addressed to Net Team Technologies, to the address above. Any notice delivered to the addressee shall be deemed received when actually delivered. Any notice sent by registered or certified mail shall be deemed received when signed for by an authorized representative of the addressee.

10. GENERAL

With the exception of payment of funds, neither party will be responsible or liable in any way for its failure to perform or delay in performance of its obligations under this Agreement during any period in which performance is prevented or hindered by conditions reasonably beyond its control, including but not limited to, acts of God, fire, flood, failure of public utilities, war criminal activity, malicious acts, embargo, strikes, labor disturbances, explosions, riot and laws, rules, regulations and orders of any governmental authority.

Upon written notice, Net Team Technologies may assign this Agreement and its rights hereunder to any parent, subsidiary or affiliate. In addition, either party may assign this Agreement upon written consent of the other party, which shall not be unreasonably withheld.

This Agreement represents the entire agreement between the parties concerning the subject matter herein and this Agreement supersedes all prior and contemporaneous negotiations, representations and agreements, oral or written, between the parties.

No provision of this Agreement shall be considered modified or amended by either party unless such modifications is made in writing and signed by an authorized representative of each party.



This Agreement shall be governed by the laws of the State of Texas without regard to its conflict of laws and principles. In all cases, any claim must be brought within twelve (12) months after the occurrence of the alleged act or omission.

If any conflict arises among the documents comprising this Agreement, the following order of precedence shall govern: Statement of Work, General Terms and Conditions; Schedules; Appendices; Addenda; Attachments. The terms and conditions of this Agreement shall have control over and supersede any City purchase order or other City document.

City agrees that Net Team Technologies is its service agent and shall offer Net Team Technologies a right of first refusal before retaining any other service entity for Service for which the Net Team Technologies is prepared and available to perform. If Net Team Technologies shall elect not to perform the requested services, it shall notify City of such election within one business day of receipt of the request from City.

Net Team Technologies may use the name of City in sales presentation, marketing vehicles and related activities.

Any provision of this Agreement which is found to be invalid, illegal, or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity, illegality, or unenforceability without in any manner affecting the remaining provisions of this Agreement in such jurisdiction or rendering that or any other provision of this Agreement invalid, illegal, or unenforceable in any other jurisdiction.

Each Party hereto represents that it has the authority to enter into this Agreement.

Upon execution of this Agreement by Net Team Technologies, the parties shall be legally bound and agree to the terms of this Agreement and all of its Schedules, Addenda and/or Attachments as of the Effective Date.

Accepted by:

**“City”
City of Richland Hills, TX**

By: _____
(Authorized Signature)

(Printed Name)

(Title)

(Date)

Accepted by:

**“Net Team Technologies”
F.C.S.I. Inc.**

By: _____
(Authorized Signature)

(Printed Name)

(Title)

(Date)

City of Richland Hills

3200 Diana Drive

Richland Hills, TX 76118

RFP RESPONSE

August 29, 2014

Letter of Transmittal:

Company Information:

American Integration, Inc. dba VersaTrust

6310 Southwest Blvd, Ste 110, Fort Worth, TX 76109

Phone: (817) 595-0111

Website: <http://www.versatrust.com>

Main Contact:

Danny Owens, CEO

Direct: (817) 616-0949

danny@versatrust.com

Federal Tax ID: 752891194

State Tax ID: 1-752891194-8

Statement of Understanding:

The City of Richland Hills depends upon its computers, technology infrastructure and software to provide its citizens with the highest quality services and communication possible.

Based upon our detailed assessment performed earlier this year, the City has a complex, sophisticated IT infrastructure and software environment that relies heavily on network connectivity and advanced server configuration to operate. Managing, troubleshooting and improving upon the existing technology investment will require above-average IT expertise, tools and response capability to ensure the City runs without downtime 24/7.

VersaTrust has a long history of successful infrastructure cleanups and possesses the required experience, expertise, key vendor relationships, qualified personnel and tools to manage and troubleshoot the existing systems and software that the City, and our other Municipal clients, rely upon.

The proposal and cost schedule included in this packet are binding for ninety (90) days from the proposal due date and will be included in the contract.

Profile:

- American Integration, Inc. dba VersaTrust has been incorporated in Texas since 2000.
- We have been providing IT management and services since our incorporation
- We currently provide our services to approximately 75 clients throughout the DFW area
- We currently service three local municipalities
- We employ fourteen full time employees: 2 Sr. Management/Technical, 10 Technical, 1 accounting, 1 sales
- The City would be serviced out of our Fort Worth location

Proposal:

Description of Approach:

There are four critical factors to success in our IT Management plans:

- IT Management Philosophy/Technical Expertise – Our Service Management Sr. staff have managed critical IT infrastructures for both small local organizations to very large businesses. Technical expertise is useless without the proper allocation of employed real-world experience and technical expertise.
- Communication – It is critically important for our customer contacts to know the work and issue status at all times, and employ a mix of our help desk system, calls and email to ensure up to date communication. All communication must be in language that our clients' employees can understand in order to make informed decisions.
- Response – Our Service Agreement includes guaranteed response times based on severity levels. More information is contained below.
- Tools – We employ sophisticated monitoring and management tools as a 'Force Multiplier' that not only automatically resolve certain issues, run proactive task scripts, etc., but will notify 24/7 when systems show signs of sickness.

References:

City of Azle - Contract signed in 2005
LuAnn Satchell, IT Manager, (817) 444-7003
Craig Lemin, City Manager
Approximately 100 Employees and 6 locations
We provide annual planning for IT budget and strategic imperatives, critical server and network upgrades, daily management/monitoring, backup and disaster recovery, troubleshooting, remote and onsite support . Have responsibility 24/7 for all areas pertaining to Public Safety.

City of River Oaks – Contract Signed in 2011

Marvin Gregory, City Administrator, (817) 626-5421 x324

Approximately 70 employees

We provide annual planning for IT budget and strategic imperatives, critical server and network upgrades, daily management/monitoring, backup and disaster recovery, troubleshooting, remote and onsite support. Have responsibility 24/7 for all areas pertaining to Public Safety.

MULATECH-Architects and Engineers

Barry Read, Vice President, (817) 289-2057

Approximately 121 employees, 3 locations

We provide annual planning for IT budget and strategic imperatives, critical server and network upgrades, daily management/monitoring, backup and disaster recovery, troubleshooting, remote and onsite support.

Primary Staff Resources:

Danny Owens, CEO/Owner

Kendall Reese, Service Manager

John Baker, Systems Administrator

Kevin Rayburn, Managed Services

William Hembd, Help Desk

Linda Olson, Service Dispatch

Support Services:

The VersaTrust Help Desk standard business hours are Monday-Friday, 8am-5pm excluding major holidays. After hours support for critical issues for the City is available 24/7/365.

Our proposal includes unlimited remote and onsite support for critical systems such as servers, firewalls, switches and routers, with hourly remote and onsite end user support and requests during regular business hours for standard user issues and requests.

In this plan, we also include our +OnTime service, which places the same management agent on all workstations. This provides the ability to remotely and securely access all stations remotely, provide detailed inventory and asset information, monitoring, application control and automated script execution that allows automated clean up, application deployment and other significantly beneficial capabilities that magnify our ability to run a trouble free environment for much less cost than traditional IT management. This plan also includes our centrally managed antivirus software, so additional antivirus software subscriptions are no longer necessary which saves the City significant ongoing costs.

See the attached Service Desk flow chart for a detailed analysis of our support escalation process.

Projects and special requests that fall outside of the scope of services outlined in the proposal are billed on a per project/request basis and can be hourly or fixed fee.

Previous Contract Termination for Default:

Not Applicable

Extra-Contractual Services

We can also consult for and potentially provide telephone systems for the City. We can analyze existing telecom bills for potential savings. We performed a phone bill audit recently for a large client that resulted in a savings of \$120,000 per year.

Proposal Summary:

Through our many years of working with municipalities and businesses large and small, there are very few operational scenarios that we have not experienced. As a result, we are uniquely qualified to untangle existing infrastructures and ultimately create a streamlined and trouble free information technology environment that allows our clients to focus on their strategic imperatives.

Our proposed managed services plans provide the immediate relief and basis for many years of peaceful computing and provide the expertise that will provide the City with the ability to grow and minimize unnecessary costs.

The plan option outlined below is our entry level plan, and the City may upgrade to a more inclusive plan at any time.

We specialize in organizations and municipalities in the DFW Metroplex that are the size and scope of the City which provides it with the confidence that all of its IT needs are fully met and expectations exceeded.

Draft Agreement

A draft agreement is attached.

Cost of Services/Proposal

CRITICALCARE +ONTIME MANAGED SERVICES

Our CriticalCare with +OnTime management program provides all-inclusive, proactive health management and monitoring, troubleshooting and ongoing performance management services for your servers, critical software, firewall and network that will ensure productivity uptime and availability. Our monitoring, management and alerting

platform watches for performance glitches and hardware/software errors 24x7 and notifies us, in most cases before end users even know there is an issue.

Our +OnTime services, which provides asset/inventory, antivirus software, operating system updating and alerting service provides proactive health maintenance across all workstations. The +OnTime service works to increase uptime, speed and productivity and speeds access to support when necessary which saves money on time billed for workstation service. Labor services are not included in the +OnTime program.

Following is a summary of the benefits:

- We structure our CriticalCare services **with an all-inclusive flat fee so that the risk and responsibility for system uptime and performance is 100% on us.**
- Ongoing configuration and performance management for covered systems, growth/business initiative, security and disaster recovery consulting
- Guaranteed response times for issues and outages, tiered according to business impact
- We interface directly with hardware and software vendors for configuration and issue resolution when necessary, effectively removing you as the middle man. No finger pointing
- Server and workstation antivirus and Windows patch management built in. You no longer have to maintain a separate antivirus or Windows updating program for servers.

CriticalCare with +OnTime services are delivered for a monthly fee to your managed critical devices (server, firewalls, network, workstations, etc.). We install our workstation management agent and ESET antivirus (+OnTime) on all workstations as a part of our overall management strategy to give us a full view of your infrastructures' assets, inventory and health. This program provides peace of mind for the ongoing and automatic health care of your systems and devices that are critical to ensuring access to critical applications.

Following are the standard services included in your CriticalCare +OnTime management program:

- Guaranteed response times based on four priority levels:
 - P1 – Business critically affected and all workers cannot function. Service will commence within 1 business hour
 - P2 – Single user or single critical function down. Service will commence within 4 business hours
 - P3 – Intermittent issue or non-critical user issue. Service will commence within 12 business hours
 - P4 – Move, Add, Change - as scheduled with client
- Periodic systems/network audits to track changes, configuration anomalies and security settings
- After hours availability and service for Priority 1 alerts for CriticalCare core devices (servers, firewall, switches)
- Assigned Systems Administrator with quarterly or as scheduled update meetings

- Budget, growth, security, disaster recovery, CJIS audits, etc.
 - Includes antivirus software and asset/inventory for servers and workstations
 - Vendor coordination for hardware failures
 - Existing server data backup management and monitoring (if not using VersaSafe)
 - Server Firmware Updates as required
 - Automatic remote 24x7x365 critical device fault and performance threshold monitoring and alerting
 - Patch deployment and management for all servers and workstations
 - Remote and onsite resolution of critical device issues included
 - Tracking of CriticalCare vendor hardware/software warranties and support agreements
 - Firewall monitoring, management and troubleshooting (must keep firewall under manufacturer warranty)
 - Access to our online Customer Management and Ticketing portal
 - Access to our remote Help Desk and onsite staff for issue resolution for end user devices such as workstations and mobile devices billed in quarter hour increments
 - Projects such as server additions, upgrades, infrastructure moves, etc. are billed on an hourly basis
- * Current and ongoing Support Agreements are required with software/hardware vendors

Terms for CriticalCare with +OnTime would be comprised of the following:

- CriticalCare +OnTime Annual Agreement with monthly management fee of \$4,100, includes 12 Windows servers (virtualized and physical, 1 firewall, LAN switches (\$250/mo each)
 - Additional servers may be added at any time for \$250/mo each
- Includes monthly +OnTime services for 80 workstations (\$10/mo each)
- Hourly rates of \$115, discounted from \$125, billed in quarter hour increments for projects, workstation remote/onsite support, after hours billed at 1.5x for non-critical device support (i.e. workstations, etc)
- All services are billed monthly, with recurring fees billed in advance of the upcoming month and hourly services billed after services are performed
- CriticalCare management restricted to VersaTrust staff only
- VersaTrust requires its standards for hardware and workstation/server operating systems be adhered to in order for us to guarantee a trouble free and highly performing environment
- Proprietary server software vendor coordination and support IS included in CriticalCare
 - * Must have current vendor support agreements in place or purchase current software versions with support
 - * Customer agreement to keep current all applicable vendor support agreements and warranties for CompleteCare devices at all times, based on VersaTrust tracking

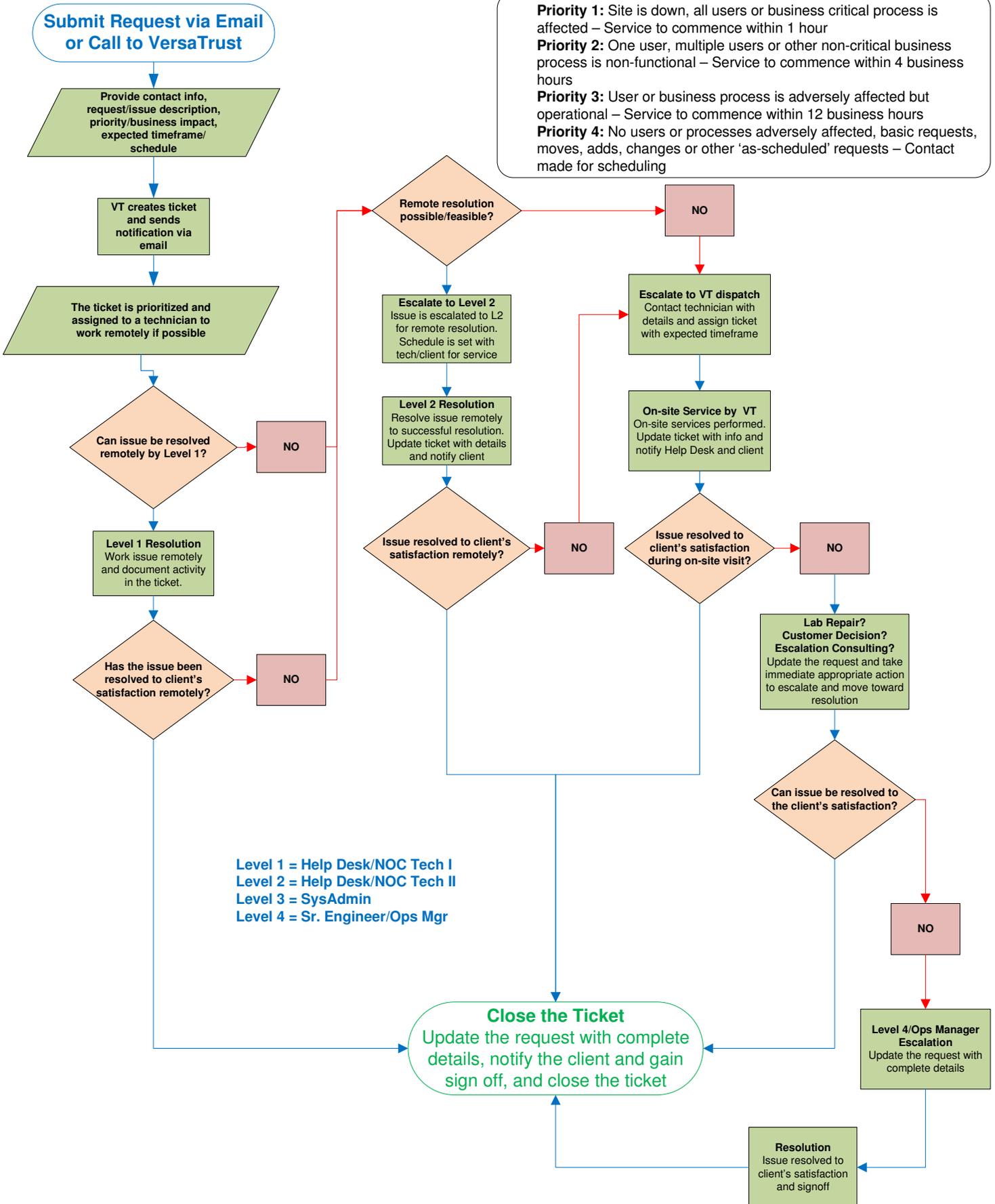
Should we be fortunate to win the bid, our normal process for onboarding new clients includes installing our agent and antivirus on all workstations and servers immediately. This allows us to be able to support the City very quickly. It also provides a wealth of information that can be used by the City to determine the current health of infrastructure and provide analysis that will uncover areas of high risk and security to the City not currently known.

The specifics of our proposed services and their pricing is strictly confidential and proprietary in nature.

We are very interested in customizing a solution to fit the needs of the City and its budget. Our level of expertise with City technology, operations and needs will give the City a strategic budget and operational advantage that it doesn't currently have.

Thank you for the opportunity to present this proposal and look forward to customizing a solution to fit your needs.

Priority 1: Site is down, all users or business critical process is affected – Service to commence within 1 hour
Priority 2: One user, multiple users or other non-critical business process is non-functional – Service to commence within 4 business hours
Priority 3: User or business process is adversely affected but operational – Service to commence within 12 business hours
Priority 4: No users or processes adversely affected, basic requests, moves, adds, changes or other 'as-scheduled' requests – Contact made for scheduling



Managed Services Agreement

AGREEMENT BY AND BETWEEN

City of Richland Hills
AND
VersaTrust

THIS AGREEMENT is made and entered into by and between VersaTrust and City of Richland Hills (Customer) for Technical Services stated herein.

NOW, THEREFORE, in consideration of the foregoing and in further consideration of the premises as hereinafter set forth, the parties agree to the following terms and conditions:

- I. **TERM.** This Agreement shall become effective and binding for all purposes upon the date of execution set forth in the last paragraph of this Agreement and shall continue in full force and effect for 12 months and term shall renew automatically annually after the selected term until a written termination notice, as specified herein, has been received by either party.
- II. **GENERAL RESPONSIBILITIES OF VERSATRUST.** VERSATRUST shall be responsible for providing services in accordance with the terms and conditions of this Agreement as stated in the attached *Scope of Services*.
- III. **LIMITATIONS TO SERVICE PROVIDED BY VERSATRUST.** Services provided by VERSATRUST under the terms of this Agreement shall be limited by the following:
VERSATRUST shall not be responsible or liable for services other than as specified in this Agreement.
- IV. **GENERAL RESPONSIBILITIES OF CUSTOMER.** Customer shall be responsible for providing the following in accordance with the terms and conditions of this Agreement:
Products and services not stated in Scope of Services.
- V. **REMUNERATION.** In consideration of the services to be provided by VERSATRUST, Customer agrees to pay VERSATRUST in accordance with the Cost and Fee Schedule. An initial payment shall be made upon execution of this Agreement, in the amount of the minimum to be paid by Customer under the Cost and Fee schedule. Such payment shall be made in a check made payable to "VersaTrust".
- VI. **INDEMNIFICATION.** VERSATRUST agrees to indemnify, hold harmless and defend Customer and its agents and assigns from all claims, suits, or actions brought for or on account of any damage, injury or death, loss, expense, civil rights or discrimination claims, labor disputes, inconvenience, or delay which may result from the performance of this agreement. Customer agrees to indemnify, hold harmless and defend VERSATRUST and its agents and assigns from all claims, suits, or actions brought for or on account of any damage, injury or death, loss, expense, civil rights or discrimination claims, labor disputes, inconvenience, or delay which may result from the performance of this agreement.
- VII. **CONFIDENTIALITY.** VERSATRUST recognizes and acknowledges that this Agreement creates a confidential relationship between VERSATRUST and Customer and that information concerning Customer's business affairs, vendors, finances, properties, methods of operation, computer programs, and documentation, and other such information, whether written, oral, or otherwise, is confidential in nature.
Customer likewise recognizes and acknowledges that this Agreement creates a confidential relationship between VERSATRUST and Customer and that information concerning VERSATRUST's business affairs, electronic mail, proposals, methods of operation, vendors, computer programs, documentation and other intellectual property, including this Agreement, is confidential in nature. All such information concerning Customer and VERSATRUST is hereinafter collectively referred to as "Confidential Information."
- VIII. **NON-DISCLOSURE.** VERSATRUST agrees that, except as directed by Customer, it will not at any time during or after the term of this Agreement disclose any Confidential Information to any person whatsoever. Upon termination of this

VersaTrust_____

Customer_____

Agreement, Customer will return any items as requested by VERSATRUST that VERSATRUST deems confidential in nature.

Customer agrees that, except as directed by VERSATRUST, it will not at any time, during or after the term of this Agreement, disclose any Confidential Information to any person whatsoever. Upon termination of this Agreement, VERSATRUST will return any items as requested by Customer that Customer deems confidential in nature.

- IX. FORCE MAJEURE.** Neither party shall be responsible to the other for any losses resulting from failure to perform any terms or provisions of this Agreement, except for payment of monies owed, if the party's failure to perform is attributable to war, riot, or other disorder; strike or other work stoppage; fire; flood; or any other act not within the control of the party whose performance is interfered with, and which, by reasonable diligence, such party is unable to prevent. Any such occurrence shall be referred to as "Force Majeure".
- X. INDEPENDENT CONTRACTOR STATUS.** This is not a brokerage agreement or an agreement of joint venture, or partnership, or of employment. In the performance of this Agreement, VERSATRUST is an independent contractor of Customer. Neither party shall order any merchandise or equipment, incur any indebtedness, enter into any undertaking or make any commitment in the other party's name or purporting to be on the other party's behalf except as expressly authorized by the terms of this agreement or by separate written agreement with other party.
- XI. NONASSIGNABILITY.** Neither party may assign its rights and/or duties under this Agreement without obtaining the prior written consent of the other party; except that either party can assign its obligations under this Agreement without the consent of the other party as a result of a sale of more than 50% of its assets.
- XII. NOTICE.** All notices which are required or may be given pursuant to the terms of this Agreement shall be deemed given three business days after they are deposited in the United States mail, certified, return receipt requested, with postage prepaid, or on the date personally delivered or sent by email or via facsimile.

To VERSATRUST:
VersaTrust
6310 Southwest Blvd, Ste 110
Fort Worth, Texas 76109

To Customer:
City of Richland Hills
3200 Diana Drive
Richland Hills, TX 76118

- XIII. SEVERABILITY.** In the event that any provision hereof shall be deemed in violation of any law or held to be invalid by any court in which this Agreement shall be interpreted, the violation or invalidity of any particular provision shall not be deemed to affect any other provision hereof, but this Agreement shall be thereafter interpreted as though the particular provision so held to be in violation or invalid were not contained herein.
- XIV. ENTIRETY CLAUSE, MODIFICATIONS AND AMENDMENTS.** This Agreement, including the Attachments hereto, constitutes the entire agreement by and between the parties regarding the subject matter herein. Statements or representations not included in the foregoing documents shall not be binding upon the parties. No modifications or amendments of any of the terms or conditions of this Agreement shall be valid or binding unless made in writing and signed by authorized representatives of both parties. This Agreement will supercede all other existing Agreements and Attachments on the date this Agreement is entered into and effective.
- XV. COMPLIANCE WITH APPLICABLE LAWS.** Each party shall be responsible for obtaining and maintaining at its sole expense and in its name, all licenses and permits which such party may require in order performing the services described herein. VERSATRUST and Customer shall each comply with all applicable federal, state and local laws and regulations respectively applicable to each party in connection with the services contemplated hereunder. All obligations under this Agreement are subject to any future required federal, state or other city regulatory approvals and laws. If the enforceability of any such future obligations materially and substantially diminishes the considerations which otherwise would be received or the services to be performed by either party under this Agreement, then that party may terminate this Agreement without liability by giving thirty days written notice of such termination to the other party. In such event, the amount paid by Customer shall be pro rated according to the time of cancellation and the pro rated amount shall be returned.
- XVI. ENFORCEABILITY.** The failure of either party to enforce any provision of this Agreement or to exercise any remedy available under this Agreement or in accordance with law upon the other party's breach of the terms, covenants and conditions of this Agreement or the failure to demand the prompt performance of any obligation under this Agreement shall

VersaTrust_____

Customer_____

not be construed as a waiver or limitation of such right or remedy, or the party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

- XVII. GOVERNING LAW.** This agreement shall be governed by and construed in accordance with the laws of the State of Texas. This agreement is entered into in Tarrant County and proper venue for any legal proceeding regarding this agreement shall be in Tarrant County.
- XVIII. PRIOR CONTRACTS.** This Agreement shall replace any prior or existing Service Agreements between the parties and this Agreement shall apply to any existing Service Orders agreed to by the parties.
- XIX. SOLICITATION.** If Customer wishes to hire an employee of VERSATRUST, Customer may request this of VERSATRUST in writing. VERSATRUST retains the right to accept or deny the request within 30 days. If the request is accepted, a \$20,000 fee shall constitute the fair and reasonable amount Customer agrees to pay. Otherwise, for the course of this Agreement and for the course of two (2) years thereafter, VERSATRUST and Customer will not solicit for employment, hire, contract or other services an employee or consultant employed or previously employed by either party.
- XX. TERMINATION OF AGREEMENT.** VERSATRUST must provide 30 days written notice prior to requesting termination of this Agreement with or without cause. VERSATRUST will reimburse unused hours prepaid by Customer if applicable. For the initial selected term and subsequent terms, Customer must provide 60 days written notice prior to requesting termination of this Agreement, and will be liable for any unpaid fees or hours used.

VersaTrust_____

Customer_____

**Managed Services Agreement
Scope of Services**

- I. AVAILABILITY.** VERSATRUST shall be available for service and support:
Business day - 8am – 5pm Monday through Friday excluding National Holidays.
National Holidays include the following:
New Year’s Day – January 1
Memorial Day – Last Monday in May
Independence Day – July 4
Labor Day – First Monday of September
Thanksgiving Day -- Fourth Thursday of November
Christmas Day – December 25
If a holiday falls on a Saturday, the previous Friday will be honored.
If a holiday falls on a Sunday, the following Monday will be honored.
VERSATRUST shall make available expertise according to services listed in Section XI.
Weekends – available upon request.
National Holidays – available upon request.
- II. RESPONSE MATRIX.** The following Response Matrix will be used to determine priority status and response times for service requests:
- Priority 1**
Site is completely down. All users at the location are deprived of system access.
Service shall commence within one business hour.
Service will commence via telephone, remote access, or onsite
Example: site is completely down; all users at the given location are deprived of system access.
- Priority 2**
System/site is partially operational. Connectivity is intact, but one user/device or multiple users/devices are not operational.
Service shall commence within four business hours.
Service will commence via telephone, remote access, or onsite.
Examples: critical printer, PC or terminal completely down; one user deprived of system access
- Priority 3**
User or device is operational but is adversely affected. Important component or process is dysfunctional.
Service shall commence within twelve business hours.
Service will commence via telephone, remote access, or onsite.
Examples: Non-critical printer or application not functioning properly, user cannot access the Internet.
- Priority 4**
No users critically affected. Intermittent issues, moves, adds, changes
Schedule to be determined by VERSATRUST and requestor. Schedule not to exceed 72 business hours unless feasible or requested by client.
Examples: Intermittent issues, PC, printer or application installations, software upgrades, etc.
- III. TRAVEL.** Customer shall reimburse all reasonable and necessary business and travel expenses actually incurred by VERSATRUST upon submission of expense reports with back-up documentation, except that no travel expenses shall apply for assignments within an 80-mile radius of Customer Headquarters. All such expenses in excess of \$100 and all travel plans must be approved in advance by Customer. Travel expenses include airfare, meals, lodging, etc.
- IV. AUTHORIZATION FOR WORK.** Customer must authorize all work before it is performed by VERSATRUST. Only personnel designated by Customer may give authorization. Customer must supply a list of personnel whom may authorize work. Work authorizations may be in verbal or written form.
- V. AUTHORIZATION FOR PURCHASES.** Customer must authorize any purchases. Only personnel designated by Customer may give authorization. Customer must supply a list of personnel whom may authorize purchases. Purchase authorizations may be in verbal or written form. Customer shall be responsible and liable for all equipment, hardware, and software purchases.

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VI. **LICENSING AGREEMENTS.** Customer is responsible for complying with all hardware and software licensing agreements. VERSATRUST will not knowingly install, duplicate or copy unlicensed or illegally obtained hardware or software. Customer will be notified in verbal or written form if VERSATRUST suspects a breach of any hardware or software licensing agreements.

VII. **LABOR HOUR.** The definition of "Labor Hour" shall be:

Cumulative per day, per person.

Any time spent:

- On-site at any Customer location.
- Traveling while in the service of Customer.
- Traveling to Customer site.
- Traveling between Customer sites.
- Requisitioning services and equipment.
- While performing any services as requested by Customer.

VIII. **THIRD PARTY PRODUCTS, SERVICES AND SYSTEMS.** VERSATRUST agrees that, except as directed by Customer, it will not enhance, alter, modify, service, or repair any products, services, or systems that are the responsibility of a third party. VERSATRUST further agrees that should a difficulty arise due to an enhancement, modification, service or repair of any products, services or systems by VERSATRUST, VERSATRUST will assume responsibility for correcting only the issue it created.

Like wise, Customer agrees to assume responsibility for any enhancement, alteration, modification, or repair of any services or products of VERSATRUST by a third party. Customer also agrees that if VERSATRUST must intervene to correct any issues arising from the aforementioned, standard hourly rates as defined in the Cost and Fee Schedule will apply.

IX. **SYSTEM AND DATA INTEGRITY.** Customer understands and accepts that when servicing any computer system, a possibility for data loss exists. Therefore, before VERSATRUST renders any services on any computer system, VERSATRUST will query Customer in verbal or written form as to the status of a current backup. Customer agrees to indemnify, defend and hold VERSATRUST harmless from and against any suit, claim, recovery or other liability, including attorney's fees incurred due to system or data loss not directly attributable to VERSATRUST, its agents and employees. VERSATRUST will use all reasonable means to restore or recover any data loss caused by VERSATRUST.

X. **CUSTOMER NETWORK SECURITY.** VERSATRUST or its representatives will not abuse its access privileges to the Customer network by accessing, viewing, changing, or manipulating files resources considered sensitive or resources for malevolent purposes. VERSATRUST shall not disclose any system passwords or make available any system resources to an unauthorized person or system user.

XI. **SERVICES.**

CriticalCare +OnTime Managed Services will be enabled with the following:

An application agent will be installed on covered Customer devices to collect monitored device data. Customer shall be responsible to maintain a high-speed broadband Internet connection with static IP addresses. VERSATRUST will provide and maintain remote monitoring software and hardware.

The following service items will be included in the monthly CriticalCare +OnTime fee:

- After hours availability for Priority 1 alerts for critical devices, with actual service billed at 1.5x hourly
- Assigned Systems Administrator with quarterly update meetings as requested
- Includes antivirus software and management for the server and workstations
- Proprietary software basic coordination and support is included for CriticalCare devices
- Vendor coordination for hardware failures
- Critical device Firmware Updates as required
- Automatic remote 24x7x365 critical device fault and performance threshold monitoring and alerting (response during regular business hours or as otherwise contracted)
- Patch deployment and management for CriticalCare and +OnTime devices
- Remote and onsite resolution of CriticalCare device issues
- VERSATRUST tracking of CriticalCare +OnTime vendor hardware/software warranties and support agreements
- Firewall monitoring, management and troubleshooting
- Major projects such as server replacements, major upgrades, infrastructure moves, etc. are billed on an hourly basis

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Customer_____

- End user remote and onsite support for workstations and other devices are billed on an hourly basis, in quarter hour increments as used
- Access to our online Customer Management and Ticketing portal
- Major projects such as infrastructure moves or major overhauls not included

Customer Requirements:

- Customer must keep current all applicable vendor support agreements, licensing and warranties for CriticalCare devices at all times
- Device management and support restricted to VERSATRUST staff only
- Adequate Internet bandwidth to accommodate both VersaTrust remote management as well as for the offsite backup to successfully maintain synchronization
-

Hourly Services

- Any services not specifically named in CriticalCare +OnTime above

XII. PROVISION OF SERVICES. VERSATRUST shall furnish technical services with the appropriate and required level of expertise on an as-needed basis. A set schedule for this expertise may not be maintained but will be provisioned on an as-needed basis. Schedules can be requested as needs arise.

**Managed Services Agreement
Cost and Fee Schedule**

I. FEES FOR SERVICES NOT COVERED BY THIS AGREEMENT. Any services rendered not explicitly covered by this service agreement shall be billed at:

(X) \$115.00 per hour

Projects outside the scope of this agreement (major infrastructure moves, replacements, cabling or other major overhauls) may be negotiated as necessary

II. CRITICALCARE +ONTIME MANAGED SERVICES

(X) Monthly Managed Services Agreement

• CriticalCare +OnTime - \$4,100/month

○ CompleteCare Includes:

- 12 Windows virtual servers
- 1 firewall
- LAN switches
- 24x7 response for Priority 1 issues, 1.5x hourly rates apply for after-hours response
- +OnTime Services for 80 Workstations
- Additional servers may be added for \$250/mo each, +OnTime workstations at \$10/mo each

○ Infrastructure to be evaluated monthly for server, workstation or location additions to the base Agreement that may affect the scope of the Agreement

III. BASIC HOURLY RATE. The basic rate is for business day coverage only.

The "labor hour" rate shall be:

(X) Monthly Managed Services Agreement – Hourly Rate - \$115/Hour

Overtime Rate, Weekend and Holiday Rate

Labor hours incurred outside Business day hours shall be billed at 1.5 x Basic Hourly Rate, per hour, per day, per person.

IV. PAYMENT.

Customer agrees to pay:

(X) Monthly, prior to services being rendered.

() Pre-paid hours monthly, prior to services being rendered.

(X) As services are rendered for the course of the agreement.

If payment for pre-paid hours, hours used and monitoring fees for the previous month has not been made by the 15th of the following month, the benefits of this agreement may cease until payment in full has been made.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the _____ day
of _____.

Executed on behalf of Customer:

Signature

Signature

Printed Name

Printed Name

Title

Title

Executed on behalf of VersaTrust:

Danny D. Owens
President