TO: Board of Commissioners

FROM: Sandra Simpson, Director of Finance

THROUGH: Michael Benard, Executive Director

RE: **Request for Proposals for the Managed Services of Information Technology**

DATE: October 15, 2021

SUMMARY: The Wheaton Park District outsources information systems management and support. The district has maintained a professional services agreement with Advanced Intelligence Engineering (AIE) since late 2015 for these services. This agreement has an end date of December 31, 2021. The district has been very satisfied with the results provided by AIE over the last six years.

The district released a Request for Proposals (RFP) for the Managed Services of Information Technology in July of 2021 with the intent of testing the market against our current vendor's services and pricing structure. Eight companies responded to the RFP including the incumbent AIE. The table below provides the cost comparison for the eight respondents.

RESULTS AND EVALUATION:

Vendor Name	Initial Costs	Increase in Out Years	Year One Support Cost	Year Two Support Cost	Year Three Support Cost	Cost over Life of Contract includes initial set up cost
Pulse Technology	$ 15,100.00	0%	$ 590,418.00	$ 590,418.00	$ 590,418.00	$ 1,786,354.00
Sikich		3%	$ 406,692.00	$ 418,892.76	$ 431,459.54	$ 1,257,044.30
Verity	$ 10,000.00	5% after year two	$ 302,250.00	$ 302,250.00	$ 317,362.50	$ 931,862.50
AIE		0%	$ 210,000.00	$ 210,000.00	$ 210,000.00	$ 630,000.00
Xerox	$ 5,000.00	0%	$ 191,928.00	$ 191,928.00	$ 191,928.00	$ 580,784.00
ExcalTech		0%	$ 185,130.00	$ 185,130.00	$ 185,130.00	$ 555,390.00
The Computer Company	$ 10,000.00	4%	$ 144,175.00	$ 149,942.00	$ 155,939.68	$ 460,056.68
Sentinel	$ 7,425.00	0%	$ 145,788.00	$ 145,788.00	$ 145,788.00	$ 444,789.00

Pulse Technology, Sikich and Verity are not recommended based on their high cost in comparison to the incumbent, AIE.

Xerox is not recommended. While their price proposal is slightly less than the incumbent AIE, we do not consider this cost savings as sufficient reason to replace our existing service provider who has provided exceptional service and has six years of institutional knowledge.

ExcalTech is not recommended as they were unable to meet the cost quoting criteria of the RFP. They qualified their cost figure as budgetary and claimed they could not provide a formal and firm cost quote without performing an infrastructure assessment of our network. All other respondents provided a quote based on the detailed information provided in the RFP.

The Computer Company is not recommended as their proposal did not include sufficient information to qualify them as capable of effectively supporting WPD's requirements.
- The Computer Company Offices are located in Cromwell, Connecticut. Their price reflects full remote support and assumes the park district employs its own on-site technicians. They stated that when something physically needs to be completed, they would pre-stage the work and ship it out for us to install. For larger projects they stated they would fly one or multiple technicians out or assign a local subcontractor. They also suggested full-time on-site support could be arranged for. We specifically asked them to clarify the additional costs associated with providing on-site support in the manners suggested and they did not do so. The lack of clarity in their response leads us to expect significant additional costs related to on-site work.
- References included limited local government clients with none being park districts or located in Illinois.

Sentinel is not recommended.
- Their proposal submission was not compliant with the directions outlined in the RFP.
- Their price reflects a remote support model with on-site support billed outside the base monthly fee quoted at $200 per hour during normal business hours.
- On-site support and project development hourly pricing is valid for one year only. Year two and three hourly costs were not provided in the response.
- Network security monitoring and enforcement is not included in the base monthly cost. No additional cost information was provided in the response.
- Equipment disposal costs are not included in the base monthly costs

AIE is recommended for re-engagement for the management of the Wheaton Park District's Information Technology Services.
- AIE has performed well on behalf of the district for six years.
- AIE has significant institutional knowledge concerning the district's operations.
- AIE's RFP response was clear, precise and required minimal clarifications.
- Maintaining the IT managed services relationship with AIE will provide continuity of services that would otherwise be disrupted by a vendor transition.
- AIE offices are located in Wheaton. AIE is owned by a Wheaton Resident who is invested in the community and the Park District.
- On-site support is included in the base monthly fee quoted.
- The proximity of AIE's office to District facilities provides prompt resolution to issues and projects that require an on-site technician.
- AIE has agreed to increase the term of the agreement from three to four years with no increase in their proposed fixed monthly cost.

PREVIOUS COMMITTEE/BOARD ACTION:
- September 2015 Park Board approved a professional services agreement with AIE for a three-year term beginning January 1, 2016, at an annual fixed cost of $133,400
- October 2018 Park Board approved an amendment to the professional services agreement. Amendments included a one-year extension through December of 2019 and an annual fixed cost of $ 169,668.
- December 2019 Park Board approved an extension to the professional services agreement through December of 2020 with an annual fixed cost of 169,668.
- December 2020 Park Board approved an extension to the professional services agreement through December of 2021 with an annual fixed cost of $198,251.40. AIE held their pricing structure for a third year with no increase. The difference in the annual fixed cost from 2020 to 2021 is primarily due to an increase in the number of workstations supported of 160 to 170.

REVENUE OR FUNDING IMPLICATIONS: AIE has provided an annual fixed cost proposal for a three-year term beginning January 1, 2022, with no price increases through the three-year term. The new annual fixed cost is 210,000 annually. This reflects a $979 monthly increase or $11,749 annual increase over the 2021 fixed fee structure. AIE provided the following reasons for the increase in fixed costs over 2021.
- **General Cost of Goods:** Cost of goods and labor to deliver managed services has increased by over 30% in the last 3 years, resulting in an increased price on all new contracts.
- **Labor Cost of New PC Setups:** This has been rolled into the new proposal, whereas previously it was a separate cost of up to $10K per year.
- **vCIO Services:** The cost increase also covers the labor required for vCIO services, which AIE has been providing to WPD at no charge since the departure of Vision96 in late 2019.

LEGAL REVIEW: IT management services require individuals that possess a high degree of professional skill where the ability or fitness of the individual plays an important part and therefore such services are exempt from bidding pursuant to the Park District Code. 70 ILCS 1205/8-1(c). Such services require individuals that have specialized professional training and knowledge regarding information technology and, specifically, the various technologies used by the Park District. Additionally, the selection of a firm that provides IT management services is not subject to the Local Government Professional Selection Act, which only applies to the selection of architects, engineers or land surveyors.

The RFP document was reviewed and approved by legal counsel prior to its release. The professional services agreement used to manage this relationship was drafted in 2015 by legal counsel. Staff will update the agreement to reflect the 2022 terms and submit for legal review prior to execution.

ATTACHMENTS:
- AIE Managed Services Proposal
- AIE 2020-2021 Review of Services Provided, Projects Completed and Incidents Resolved
- AIE Review of Wheaton Park District Accomplishments 2016-2021
- AIE RFP Response

RECOMMENDATION: Staff recommends that the Park Board approve a Professional Services Agreement for the Management of Information Technology Services with Advanced Intelligence Engineering (AIE) for a four-year term beginning January 1, 2022, at a cost of $210,000 per year.