

**AGENDA
CITY OF WINDCREST, TEXAS
SPECIAL CITY COUNCIL MEETING**

July 6, 2011

**Closed Session
6:00 P.M.**

**Special City Council Meeting
7:00 P.M.**

NOTICE IS HEREBY GIVEN THAT A SPECIAL WINDCREST CITY COUNCIL MEETING WILL BE HELD AT WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS ON THE 6TH DAY OF JULY 2011 STARTING AT 6:00 P.M. DURING THE MEETING THE FOLLOWING SUBJECTS WILL BE CONSIDERED AND THE COUNCIL MAY TAKE ACTION ON ANY OF THE LISTED SUBJECTS.

THE CITY COUNCIL RESERVES THE OPTION TO RECESS THE MEETING DURING THE EVENING OF JULY 6, 2011 AND TO RECONVENE THE MEETING ON THE FOLLOWING DAY, JULY 7, 2011 AT 9:00 A.M. AT THE WINDCREST CITY HALL, 8601 MIDCROWN, WINDCREST, TEXAS.

IT IS ANTICIPATED THAT MEMBERS OF OTHER CITY BOARDS, COMMISSIONS AND COMMITTEES MAY ATTEND THE MEETING IN NUMBERS THAT MAY CONSTITUTE A QUORUM OF SUCH OTHER CITY BOARDS, COMMISSIONS AND COMMITTEES, SO THAT NOTICE IS HEREBY GIVEN THAT THE MEETING IS ALSO A MEETING OF THE OTHER CITY BOARDS, COMMISSIONS AND COMMITTEES WHOSE MEMBERS ARE IN ATTENDANCE. THE MEMBERS OF THE OTHER CITY BOARDS, COMMISSIONS AND COMMITTEES MAY PARTICIPATE IN DISCUSSIONS WHICH OCCUR AT THE MEETING, BUT NO ACTION WILL BE TAKEN BY THE OTHER BOARDS, COMMISSIONS AND COMMITTEES WHOSE MEMBERS ARE IN ATTENDANCE.

Ordinance No. 618 (09.20.10), Repealing Ordinance No. 593

At all City Council, City Commission or City Board meetings, the agenda shall include a "citizens to be heard" item. It is suggested that Citizens wishing to speak during this item sign in on the sign up roster prior to the meeting. During "citizens to be heard" comments, each individual may speak on an agenda item or any other matter affecting the city. In addition to the "citizens to be heard" portion of meetings, a person may make comments on agenda items prior to the vote on the agenda item. A member of the public will have a total of six (6) minutes to be heard during a City Council, City Commission or City Board Meeting. This does not include any responses from the body. The six (6) minutes time limit authorized herein may not be transferred to another speaker in whole or in part. The presiding Officer or his/her designee will assign a Time Keeper to each meeting. The Time Keeper will maintain strict compliance of the six (6) minute rule, stopping speakers who exceed the allotted time. As authorized by Section 551.042 of the Texas Government Code, the Presiding Officer may direct a City Official to make: a statement of specific factual information in response to an inquiry made by a member of the public or of the City Council, or: a recitation of existing policy in response to an inquiry made by a member of the public or the City Council. Any deliberation of or decision about the subject of the inquiry shall be limited to a proposal to place the subject on the agenda for a subsequent meeting. Any question posed by a Citizen, Council Member, Board Member or Commission Member for which an answer is not available at a meeting shall be answered by a member of the staff or Presiding Officer at the next regular meeting of the Body, if an answer is reasonably available and prudent. If the information is sensitive, staff will seek advice from the City Attorney.

REQUEST ALL PAGERS AND CELL PHONES BE TURNED OFF, EXCEPT EMERGENCY ON-CALL PERSONNEL. CITIZENS ARE ASKED TO REFRAIN FROM TALKING DURING COUNCIL PROCEEDINGS.

Meeting Chair: please remind each participant in your meeting that they must speak into a microphone; the recording is the Official Minutes of your meeting and all who speak must be recorded. All guest speakers and citizens to be heard must speak from podium. Please interrupt speakers during meeting if you recognize that they are not speaking into microphone and have them do so.

I. Call to Order, Pledge of Allegiance & Invocation

II. Closed Session Call to Order

1. City Council will convene into a closed meeting as authorized by Section 551.071 (1a) of the Texas Government Code, Consultation with Attorney about pending or contemplated litigation.
2. City Council will convene into a closed meeting as authorized by Section 551.072 of the Texas Government Code, Deliberation Regarding Real Property to deliberate the purchase, exchange, lease, or value of real properties located on I-35 and Eisenhower Rd. a.k.a the 111 Acres.

III. Call to Order, Pledge of Allegiance & Invocation

IV. Action Item

1. City Council will discuss and take action on pending or contemplated litigation.
2. City Council will discuss and take action on the purchase, exchange, lease, or value of real properties located on I-35 and Eisenhower Rd. a.k.a the 111 Acres including the adoption of a resolution or the first reading of an ordinance approving transactions involving the 111 acre tract.

V. Citizens to be Heard on Subsequent and Non-Subsequent Agenda Items

A member of the public will have three (3) minutes to discuss non-subsequent agenda items.

A member of the public will have six (6) minutes to discuss subsequent agenda items.

VI. Presentations

1. Homer Guy with Raba-Kistner Consultants, Inc. will present City Council a presentation of services offered. *(Mayor Alan Baxter and Rafael Castillo, Jr. requested)*
2. Matthew Beebe with HEI Systems & Solutions will present City Council a report with recommendations on how to operate and conduct various aspects of the City's IT infrastructure. *(Rafael Castillo, Jr., City Manager requested)*
3. Kelly Rodriguez, Municipal Court Clerk will present City Council a report regarding the Warrant Round Up held on June 26 and 27, 2011. *(Mayor Alan Baxter Requested)*

VII. Public Hearing

None

VIII. Unaudited Financials

City Council may take action if deemed necessary.

IX. Ordinances **"in conjunction with the first reading of an ordinance, a motion should be made to either "reject the proposed ordinance" or "to forward the proposed ordinance to a subsequent City Council meeting for final adoption at its second reading". **

1. City Council will discuss and consider taking action on Ordinance No. 2011-646 (O), an ordinance approving and adopting an amendment to the budget for operating the Municipal Government of the City of Windcrest for the Fiscal Year beginning October 1, 2010 and ending on September, 2011; and establishing a savings clause and effective date. *Second Reading (Sarah Mangham, Municipal Finance Officer requested) (Att. 1)*
2. City Council will discuss and consider taking action on Ordinance No. 2011-647 (O), an ordinance reducing residential remodeling permit fees. *Second reading (Mayor Alan Baxter / Rafael Castillo, Jr. City Manager requested) (Att. 2)*
3. City Council will discuss and consider taking action on Ordinance No. 2011-648 (O), an ordinance eliminating the \$25.00 permit fee for residential alarms. *Second reading (Mayor Alan Baxter / Rafael Castillo, Jr. City Manager requested) (Att. 3)*

X. Resolutions

1. City Council will discuss and consider taking action on Resolution No. 2011-347 (R), a resolution approving a contract with HEI Systems and Solutions for certain IT support services and authorizing the City Manager to execute the contract. (*Rafael Castillo, Jr., City Manager request*) (Att. 4)
2. City Council will discuss and consider taking action on Resolution No. 2011-348 (R), a resolution approving an agreement with Brown & Ortiz, P.C., Attorneys at Law to update the zoning codes and implementation of the previously created master plan for the City of Windcrest. (Att. 5)

XI. Discuss and Act

1. City Council will discuss and may take possible action on approving the Request for Proposals (RFP) for Auditing Services and selecting an audit committee. (*Sarah Mangham, Municipal Finance Officer Request*) (Att.6)
2. City Council will discuss and may take possible action on approving a resolution to become a member of The Local Government Purchasing Cooperative. (*Sarah Mangham, Municipal Finance Officer Request*) (Att. 7)
3. City Council will discuss and may take action to request a proposal for engineering services. (*Mayor Alan Baxter and Rafael Castillo, Jr., City Manager Request*)
4. City Council will discuss, review and may take action on the Warrant Roundup held on June 26 and 27, 2011. (*Mayor Alan Baxter Request*)
5. City Council will discuss and may take action to approve the City of Windcrest Economic Development Corporation Annual Financial Report for the fiscal year ending September 30, 2010 that was accepted by the Windcrest Economic Development Board of Directors on June 30, 2011.

XII. General Announcements & Future Agenda Items Requested

Per Ordinance No. 618, repealing Ordinance No. 593; Section 9: Every agenda shall include an item entry granting a member the opportunity to propose an item for consideration of future agendas for Regular or Special Meetings. Any member may request the inclusion of such items at any meeting.

XIII. Adjournment

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the City Council of the City of Windcrest is a true and correct copy of said Notice and was posted on the bulletin board at City Hall of said City in a convenient place to the public and said Notice was posted more than seventy-two hours prior to the meeting on July 6, 2011.

By: Heather Weidenbach, City Secretary

In compliance with the Americans With Disabilities Act, the City of Windcrest Council Chambers are wheelchair accessible, and accessible parking spaces are available. The City of Windcrest will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact Heather Weidenbach, City Secretary, at 210-655-0022 ext. 2150 or Fax 210-655-8776.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ July, 2011.

____ Title: _____



WINDCREST

TEXAS

City Council Agenda Item Report

July 6, 2011

Contact – Sarah Mangham, Municipal Finance Officer
smangham@windcrest-tx.gov

SUBJECT: Deliberation and possible action on an ordinance approving and adopting an amendment to the budget for operating the Municipal Government of the City of Windcrest for the Fiscal Year beginning October 1, 2010 and ending on September 30, 2011; and establishing a savings clause and effective date.

1. BACKGROUND/HISTORY

From time to time, adopted budgets will need to be adjusted for various reasons. The City of Windcrest utilizes this ordinance process to amend the budget as needed.

TxDOT provided the City of Windcrest a grant of \$4,000 from the Click It or Ticket It program. There was a large check presented to the City Council in July 2010. The funds were not placed in the budget as grant revenues or expenses. This budget adjustment adds \$4,000 to the Revenues and Expenses for the police department.

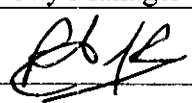
Second Reading.

2. FINDINGS/CURRENT ACTIVITY

See Attached.

3. ACTION OPTIONS/RECOMMENDATION

Staff recommends the approval of the budget ordinance for this amendment to the FY2010-11 Budget.

City Manager	Consent Agenda	Action Item	Comments
			

Att. 1

ORDINANCE NO. 2011-646 (O)

AN ORDINANCE APPROVING AND ADOPTING AN AMENDMENT TO THE BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF WINDCREST FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING ON SEPTEMBER 30 2011; AND ESTABLISHING A SAVINGS CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, the City Council desires to amend the operating budget of the municipal government of the City of Windcrest for the fiscal year October 1, 2010 to September 30, 2011; and,

WHEREAS, said budget amendments have been submitted to the City Council by the City Manager, in accordance with the City's Fiscal and Budgetary Policy.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS:

Section 1. That the City Council of the City of Windcrest does hereby ratify, approve and adopt the amendments to the budget considered for fiscal year of October 1, 2010 to September 30, 2011 as identified in Attachment "A" of this ordinance.

Section 2. That should any part, portion, or section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining portions, parts, or sections or parts of section of this ordinance, which provisions shall be, remain and continue to be in full force and effect.

Section 3. That this ordinance shall be effective upon passage.

PASSED AND APPROVED, on the 6th day of July, 2011 at a regular meeting of the City Council of the City of Windcrest, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

Alan Baxter, Mayor

Heather Weidenbach, City Secretary

ATTEST:

Michael Brennan, City Attorney

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND ADOPTING AN AMENDMENT TO THE BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF WINDCREST FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2010 AND ENDING ON SEPTEMBER 30 2011; AND ESTABLISHING A SAVINGS CLAUSE AND AN EFFECTIVE DATE.

WHEREAS, the City Council desires to amend the operating budget of the municipal government of the City of Windcrest for the fiscal year October 1, 2010 to September 30, 2011; and,

WHEREAS, said budget amendments have been submitted to the City Council by the City Manager, in accordance with the City's Fiscal and Budgetary Policy.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS:

Section 1. That the City Council of the City of Windcrest does hereby ratify, approve and adopt the amendments to the budget considered for fiscal year of October 1, 2010 to September 30, 2011 as identified in Attachment "A" of this ordinance.

Section 2. That should any part, portion, or section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining portions, parts, or sections or parts of section of this ordinance, which provisions shall be, remain and continue to be in full force and effect.

Section 3. That this ordinance shall be effective upon passage.

PASSED AND APPROVED, on the 6th day of July, 2011 at a regular meeting of the City Council of the City of Windcrest, Texas which meeting was held in compliance with the Open Meetings Act, Tex. Gov't Code, §551.001, et.seq. at which meeting a quorum was present and voting.

CITY OF WINDCREST, TEXAS

Alan Baxter, Mayor

ATTEST:

Heather Weidenbach, City Secretary

6-14-2011 8:30 AM

BUDGET ADJUSTMENT REGISTER

PAGE: 1

PACKET: 00271-Click It or Ticket It

BUDGET CODE: CB-Current Budget

FUND ACCOUNT	DATE	DESCRIPTION	ADJUSTMENT	ORIGINAL BUDGET	PREVIOUS ADJUSTMENTS	NEW BUDGET	BUDGET BALANCE

Budget Adj. # 000302							
01 4512	6/14/2011						
GRANT PROCEEDS - TXDOT			4,000.00	0.00	0.00	4,000.00-	4,000.00-
01 502-420	6/14/2011						
OFFICE SUPPLIES			2,000.00	4,500.00	0.00	6,500.00	5,425.27
01 502-430	6/14/2011						
MISCELLANEOUS SUPPLIES			2,000.00	6,000.00	0.00	8,000.00	7,174.56
TOTAL NO. ADJUSTMENTS--REVENUE:						1	4,000.00
TOTAL NO. ADJUSTMENTS--EXPENSE:						2	4,000.00
TOTAL IN PACKET--							8,000.00

*** NO WARNINGS ***

*** NO ERRORS ***

*** END OF REPORT ***

ORDINANCE NO. 2011-647 (O)

AN ORDINANCE AMENDING CHAPTER 5, BUILDING AND BUILDING CODE, BY AMENDING THE SCHEDULE OF FEES TO LIMIT REMODELING PERMIT FEES TO \$5.00

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that Chapter 5, Building and Building Code of the Code of Ordinances, is amended by adding the following sentences after the first sentence in Section 5.1301 1:

“Notwithstanding any of the fees specified in the following subsections A, B, C, and D, the building permit fee for remodeling or reconstructing (not repairing) single-family residential structures shall be \$5.00. The reinspection fees specified at the end of Section 5.1301 are not affected by the previous sentence.”

PASSED and APPROVED this 6th day of July, 2011.

Alan Baxter, Mayor

ATTEST:

Heather Weidenbach, City Secretary

APPROVED AS TO FORM:

Michael S. Brennan, City Attorney

Att. 2

ORDINANCE NO. 2011-648 (O)

**AN ORDINANCE AMENDING CHAPTER 17, POLICE DEPARTMENT,
BY ELIMINATING THE PERMIT FEES FOR ALARM PERMITS**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WINDCREST, TEXAS that Chapter 17, Police Department of the Code of Ordinances, is amended by revising Section 17.203 to read as follows:

“No fee shall be charged for the issuance and renewal of each alarm permit, with such permits to be issued and renewed on a calendar basis, commencing January 1, 2000.”

PASSED and APPROVED this 6th day of July, 2011.

Alan Baxter, Mayor

ATTEST:

Heather Weidenbach, City Secretary

APPROVED AS TO FORM:

Michael S. Brennan, City Attorney

AH-3

RESOLUTION NO. 2011 – 347 (R)

RESOLUTION APPROVING A CONTRACT WITH HEI SYSTEMS & SOLUTIONS FOR CERTAIN IT SUPPORT SERVICES AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT

WHEREAS, the City of Windcrest leverages computer and Information Technology (IT) tools in some fashion to facilitate nearly each and every aspect of City business, and in some cases critical City services are supported by underlying IT systems; and

WHEREAS, the City of Windcrest has historically utilized a mixture of employee (both full and part-time), and outside consulting and support firms on an ad hoc basis to provide planning and support assistance of City IT resources, but does not currently have any employee or IT support/service plan in place dedicated to supporting emergency or even routine IT requirements; and

WHEREAS, the City of Windcrest engaged the services of HEI Systems & Solutions LLC (HEI) for various Information Technology (IT) support functions on a limited-term, ad hoc hourly basis during 2011; and

WHEREAS, HEI has demonstrated specific technical excellence and comprehensive insight into the City of Windcrest IT infrastructure configurations and capabilities, organizational and departmental level operational support requirements, and user support needs; and

WHEREAS, HEI has completed a comprehensive Business and Technology Assessment of City of Windcrest IT systems and operational needs, and recommended an IT Strategic Plan providing for certain phased upgrades and improvements to the City of Windcrest IT systems and networks; and

WHEREAS, the City of Windcrest, in order to operate and conduct various aspects of City Business, desires to operate and maintain City IT infrastructure in a fashion that is in accordance with industry best practices, including operating on reliable and supportable infrastructure, current and reasonably equipped user systems, and implement a comprehensive out-sourced IT support model to include managed, predictable IT support costs for both routine and emergency services.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDCREST that the recommended transition plan be implemented, and the attached Master Services

Att. 4

Agreement for Managed Services is hereby approved and the City Manager is authorized to execute said contract on behalf of the City.

Passed and approved this 6th day of July, 2011.

Alan Baxter, Mayor

Heather Weidenbach, City Secretary

ATTEST:

Mike Brennan, City Attorney

RESOLUTION NO. 2011-348 (R)

A RESOLUTION OF THE CITY OF WINDCREST AUTHORIZING AN EXECUTION OF AN AGREEMENT WITH BROWN & ORTIZ, P.C.; ATTORNEYS AT LAW TO UPDATE THE ZONING CODES AND IMPLEMENTATION OF THE PREVIOUSLY CREATED MASTER PLAN FOR THE CITY OF WINDCREST.

WHEREAS, Brown & Ortiz, P.C., Attorneys at Law estimates there fees to be \$2,500 - \$5,000. These fees will cover the following, which Brown & Ortiz, P.C., Attorneys at Law feel is necessary to accomplish this task,

WHEREAS, Brown & Ortiz, P.C, Attorneys at Law will meet with city staff, EDC Board and council members to explain proposed code changes, process, master plan, etc.,

WHEREAS, Brown & Ortiz, P.C., Attorney at Law will make a presentation to Planning and Zoning Commission regarding basics of the code changes, process, history, master plan, etc.,

WHEREAS, a second presentation by Brown & Ortiz, Attorneys at Law and action taken by Planning & Zoning Commission regarding code changes ,

WHEREAS, Brown & Ortiz, P.C will make a presentation to City Council regarding code changes and adoption of same.

WHEREAS, it is the intent to finalize the code changes within ninety (90) days from approval of this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council that execution of an agreement with Brown & Ortiz, P.C. on behalf of the City by the City Manager is hereby authorized.

PASSED AND ADOPTED THE 6TH DAY OF JULY, 2011

Alan Baxter, Mayor

Heather Weidenbach, City Secretary

Attest:

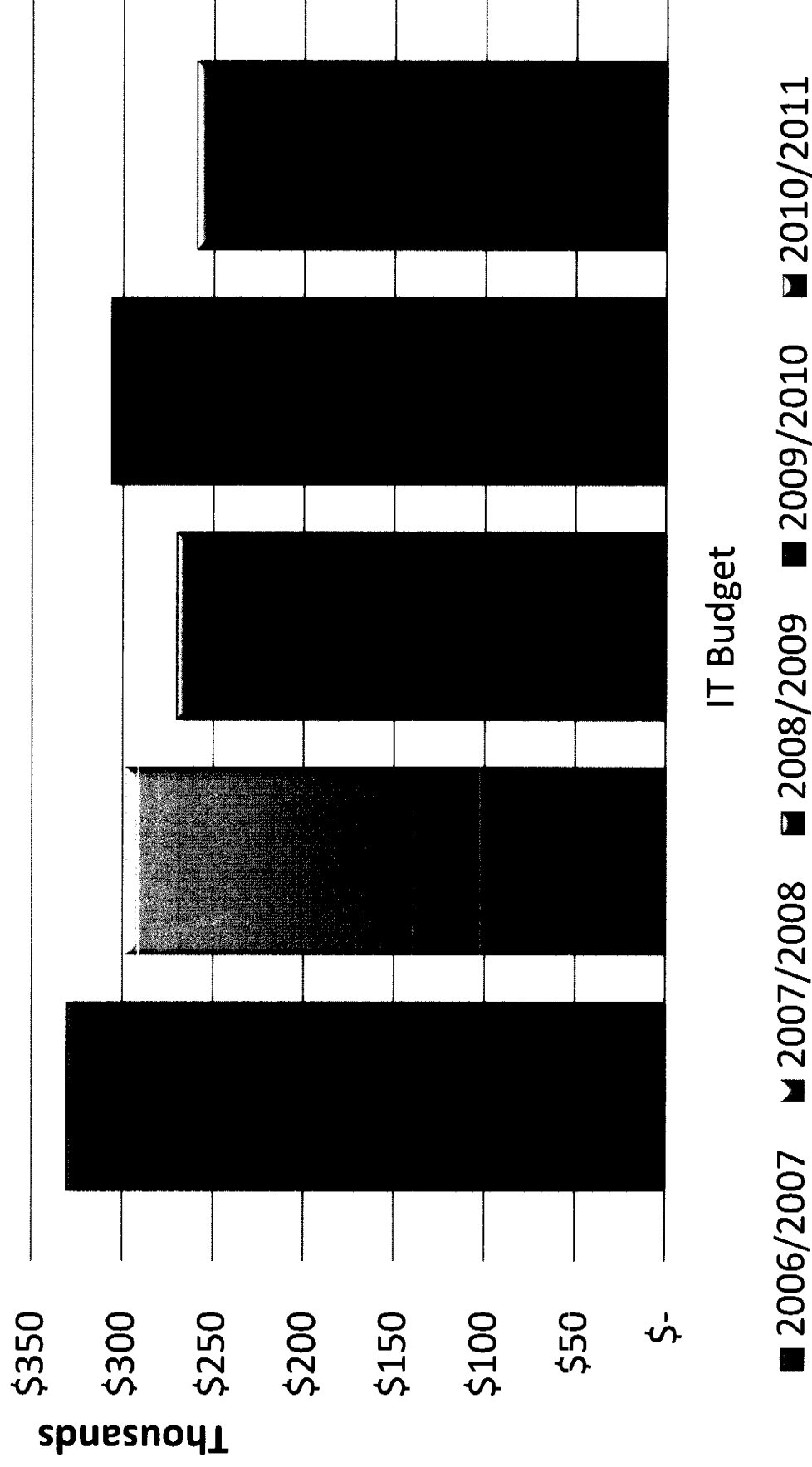
Mike Brennan, City Attorney

AH-5

City of Windcrest IT Budget Overview

Historical and Prospective

Historical IT Related Budget

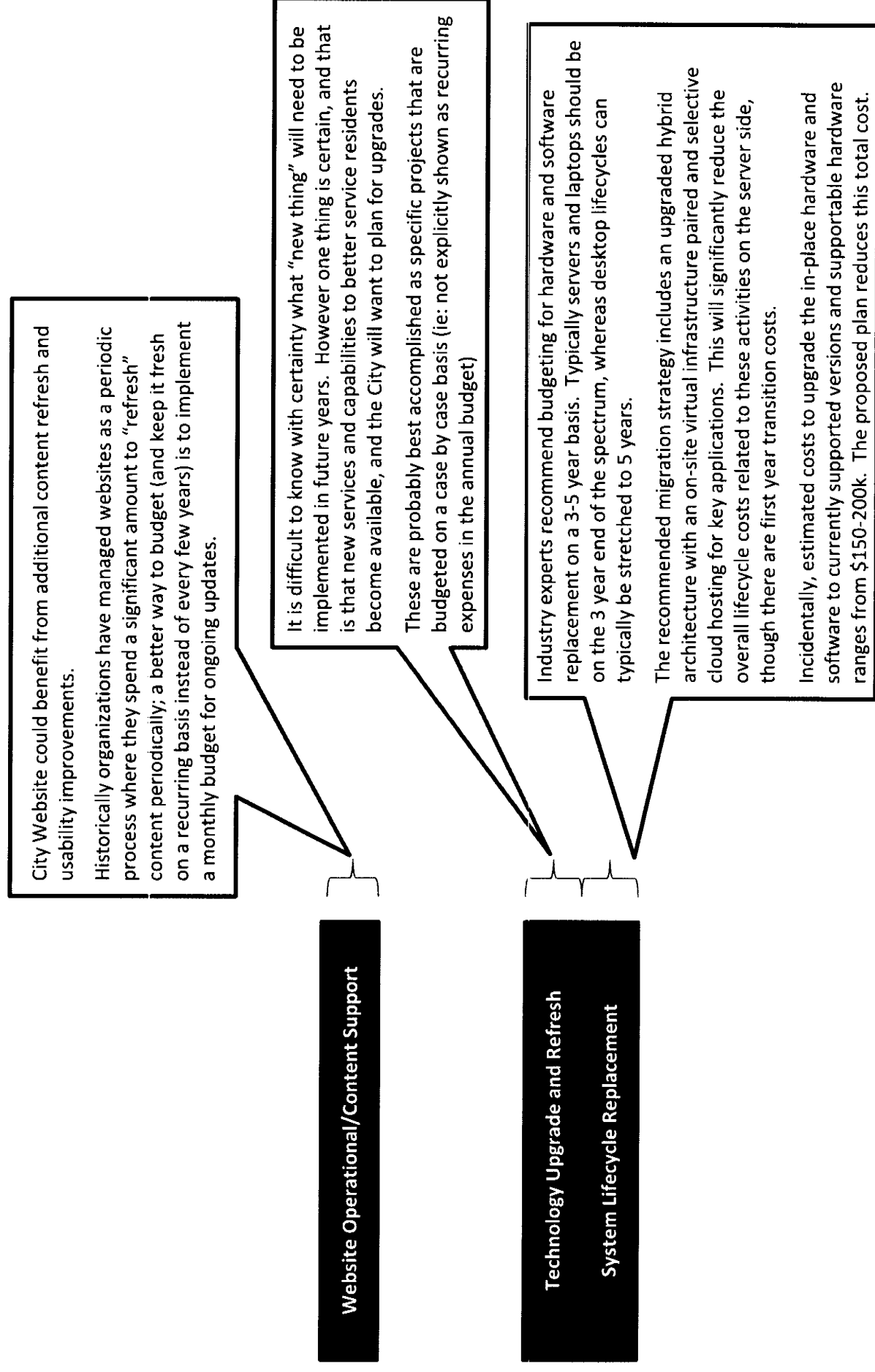


2010/2011 IT Budget (Current)

\$149,000	Desktop & Server IT Support (Mixture of Salaries and Hourly Ad-Hoc Support)	The City Website is currently hosted through CivicPlus, which hosts a custom, City Government oriented web Content Management System (CMS). The hosting fees are covered in "Core Application Support Services", but ongoing content or "aesthetics" maintenance is not included. There has typically been no long-term plan for these sorts of system upgrades. A \$100k+ 3-year lease/purchase of a new records management system was initiated in 2006, There is currently no recurring budget allocation for Server or Desktop Hardware/Software Lifecycle management. Historically systems have been upgraded or replaced after they fail, or become maintenance headaches. A \$11k tape backup solution was procured in 2006
\$6,000	Miscellaneous Supplies & Equipment	
\$52,000	Other Telecom Services (Internet, Telephone, etc)	
\$0	Website Operational/Content Support	
\$53,000	Core Application Support Services (Granicus, LaserFiche, Executime, Website Hosting, etc)	
\$0	Technology Upgrade and Refresh	
\$0	System Lifecycle Replacement	
<u>\$260,000</u>		

NOTE: this is a slightly different "slice and dice" from the City Budget, and some categories contain estimates, BUT it does reflect an accurate total. The breakout is shown to better reflect overall total costs by category. Recommendations and analysis from this briefing are not meant to replace or supplant ongoing City Budget Planning initiatives. If there are conflicts with the (soon to be) presented Budget recommendations, the formal Budgets are to be considered primary.

Three Primary “Unknowns”



Recommended 2010/2011 Annual IT Spend Allocations

\$70,000	Desktop & Server IT Support (Approx YTD Mixture of Salaries and Hourly Ad-Hoc Support, as well as allocation for future uncovered IT Services)	Assumes implementation of Managed Service Contract in July/Aug timeframe.
\$9,000	Managed IT Services	Assumes implementation of Managed Service Contract in July/Aug timeframe.
\$4,000	Miscellaneous Supplies & Equipment	
\$52,000	Other Telecom Services (Internet, Telephone, etc)	
\$0	Website Operational/Content Support	Defer upgrade and monthly support engagement till next FY
\$53,000	Core Application Support Services (Granicus, LaserFiche, Executime, Website Hosting, etc)	Includes labor and hardware costs to transition existing servers to hybrid virtualization infrastructure and cloud services, as well as new system configuration supporting common desktop system images on Win7 and Office 2010. Included license costs for OS and Office.
\$73,000	Technology Upgrade and Refresh	
\$2,500	Cloud Hosting Fees	Assumes implementation of Cloud Services in Aug/Sep timeframe.
\$15,000	System Lifecycle Replacement	Assumes 5 year replacement lifecycle resulting in first 10 of 50 systems being replaced in this cycle.
\$278,500		

NOTE: This is \$18,500 above current budget. If required, this can be avoided by deferring the first 20% of desktop upgrades until next FY, and managing the Additional Support allocation closer. It is not a prediction of over-spend, just a recommendation to start the process now, and avoid the additional labor expense next FY of reinstalling new hardware.

Recommended 2011/2012 Annual IT Spend Allocations

\$15,000	Desktop & Server IT Support (Allocation for uncovered IT Services)	Assumes some support or project implementation expenses will not be covered by managed services in any given month.
\$44,000	Managed IT Services	Assumes 12 months of service and support.
\$4,750	Miscellaneous Supplies & Equipment	
\$54,600	Other Telecom Services (Internet, Telephone, etc)	
\$6,000	Website Operational/Content Support	Execute an upgrade and monthly support engagement
\$55,650	Core Application Support Services (Granicus, LaserFiche, Executime, Website Hosting, etc)	
\$10,000	Technology Upgrade and Refresh	No specific item or system has been identified at this point.
\$15,000	Contingency and Unspecified	
\$15,000	Cloud Hosting Fees	Assumes 12 months of service and support.
\$15,000	System Lifecycle Replacement	Assumes 5 year replacement lifecycle resulting in second 10 of 50 systems being replaced in this cycle.
\$235,000		

NOTE: This is \$25,000 below current budget, but already includes modest (5%) increases in the larger budget items. If more or less systems are replaced in a given FY, the Additional Support allocation labor costs could change. It is not a recommendation to reduce the IT budget necessarily, as the Upgrade and Refresh line for “new” capabilities is likely to be required in some form most years.

FY2010/2011 Implementation Results

- Implementation of this plan provides for:
 - Immediate licensing and upgrade of OS and Office software for existing City workstations
 - Transition of unsupported server infrastructure into supportable local components and certain cloud services *Powered by Rackspace*
 - Technology refresh of 20% of City hardware systems
 - Implementation and transition to outsourced managed services environment
 - Supportable, secure, and managed technology platform
 - Foundation for better stewardship of strategic IT resources



HEI Systems & Solutions LLC

1100 NW Loop 410, Suite 611

San Antonio, Texas 78213

Main: 210-979-7770

Fax: 210-979-7772

Master Services Agreement Managed Services Contract Number: SS110701-1

This Agreement, effective the date when signed by both parties below, is between The City of Windcrest ("Customer"), having its primary office at 8601 Midcrown Drive, San Antonio, Texas, 78239 and HEI Systems & Solutions LLC ("HEI", "Service Provider"), having an office at 1100 NW Loop 410, Suite 611, San Antonio, Texas, 78213.

I. DESCRIPTION OF SERVICES

HEI shall provide to Customer the Managed Services ("Services") described in Exhibit A, "Service Order Form" at a rate there described. The Services shall be provided subject to the Terms and Conditions, which follow.

II. CUSTOMER AND HEI ADMINISTRATIVE CONTACTS

Name: Rafael Castillo
Title: City Manager
City of Windcrest
8601 Midcrown Drive
San Antonio, TX 78239

Name: Matthew S. Beebe
Title: General Manager
HEI Systems & Solutions LLC
1100 NW Loop 410, Suite 611
San Antonio, TX 78213

Tel. No. 210-655-0022

Fax No. 210-655-8776

Email rcastillo@windcrest-tx.gov

Tel. No. 210-979-7770

Fax No. 210-979-7772

Email Matthew.Beebe@hei-ss.com

In consideration of the mutual obligations assumed under this Agreement, HEI and Customer agree to the Terms and Conditions attached hereto and incorporated by reference and represent that this Agreement is executed by duly authorized representatives as of the dates below.

AGREED BY: CUSTOMER

By: _____
Name: Rafael Castillo
Title: City Manager
Date: _____

HEI

By: _____
Name: Matthew S. Beebe
Title: General Manager
Date: _____

TERMS AND CONDITIONS

1. Services

(a) Remote Helpdesk and Vendor Management of Customer's IT networks, as described in Exhibit B, "Enrolled Inventory", will be provided to the Customer by HEI through remote means between the Extended Core Hours of 7:00am – 8:00pm Monday through Friday, excluding city public holidays. Network Monitoring Services will be provided 24/7/365. All services delivered under this Agreement will fall under the provisions of Exhibit C, "Services Overview". Services that fall outside the scope of this Agreement are described below in Section 3. Hardware or software costs of any kind are not covered under the terms of this Agreement.

(b) HEI will respond to Customer's Trouble Tickets under the provisions of Exhibit D, "Response and Resolution Times" and with best effort after hours or on holidays. Trouble Tickets must be opened by Client's designated IT Contact Person(s), by the online support ticket portal, or by phone if Internet is unavailable. Each request will be assigned a Trouble Ticket number for tracking.

(c) Emergency services provided outside the Extended Core Hours of 7:00am – 8:00pm Monday through Friday, excluding city public holidays will be subject to the provisions and pricing – including any applicable included hours, rate premiums, or rate discounts – appropriate for the Customer's Enrolled Service Plan as described in Exhibit E, "Pricing for Hourly & Project Services".

(d) HEI will provide ongoing monitoring and security services of all critical devices as indicated in Exhibit B, "Enrolled Inventory". HEI will provide monthly reports as well as document critical alerts, scans and event resolutions to Customer. Should a problem be discovered during monitoring, HEI shall attempt to rectify the condition in a timely manner through remote means, and escalate problem resolution appropriately.

(e) HEI shall provide support of all hardware and systems specified in Exhibit B, "Enrolled Inventory", provided that all Hardware is supported by the Vendor; or replaceable parts be readily available, and all Software be Genuine, Currently Licensed and Vendor-Supported. Should any hardware or systems fail to meet these provisions, they will be excluded from this Agreement. Should 3rd Party Vendor Support Charges be required in order to resolve any issues, these will be passed on to the Client after first receiving the Client's authorization to incur them.

2. Existing Environment

In order for Customer's existing environment to qualify for HEI's Managed Services, the following minimum standards must be met:

1. All Servers with Microsoft Windows Operating Systems must be running

- Windows 2008 Server or later, and have all of the latest Microsoft Service Packs and Critical Updates installed.
2. All Desktop PC's and Notebooks / Laptops with Microsoft Windows Operating Systems must be running Windows XP Professional, Window 7 Enterprise, or later, and have all of the latest Microsoft Service Packs and Critical Updates installed.
 3. All Desktop PC's and Notebooks / Laptops with Mac OS X Operating Systems must be running 10.6.3 (Snow Leopard) or later, and have all of the latest Mac Service Packs and Critical Updates installed.
 4. All Server and Desktop Software must be Genuine, Licensed, and Vendor-Supported.
 5. The environment must have a currently licensed, up-to-date and single Vendor-Supported Server-based Antivirus Solution protecting all Servers, Desktops, Notebooks / Laptops, and Email.
 6. The environment must have a currently licensed, Vendor-Supported Server-based Backup Solution that can be monitored, and send notifications on job failures and successes.
 7. The environment must have a currently licensed, Vendor-Supported Firewall between the Internal Network and the Internet.
 8. All Wireless data traffic in the environment must be securely encrypted.
 9. There must be an outside static IP address assigned to a network device, allowing RDP or VPN access.

Costs required to bring Client's environment up to these Minimum Standards are not included in this Agreement. Anticipated costs are described in Exhibit F "On-boarding and Transition Plan".

3. Excluded Services

Services rendered under this Agreement do not include:

1. Parts, equipment, or software not covered by vendor / manufacturer warranty or support.
2. The cost of parts, equipment, or shipping charges of any kind.
3. The cost of any Software, Licensing, or Software Renewal or Upgrade Fees of any kind.
4. The cost of any 3rd Party Vendor or Manufacturer's Support or Incident Fees of any kind.
5. The cost to bring Customer's environment up to minimum standards required for Services (except as separately identified and approved in Exhibit F "On-boarding and Transition Plan").
6. Failure due to acts of God, building modifications, power failures, or other adverse environmental conditions or factors.
7. Service and repair made necessary by the alteration or modification of equipment other than that authorized by HEI, including alterations, software

installations, or modifications of equipment made by Customer's employees or anyone other than HEI.

8. Maintenance of Applications software packages, whether acquired from HEI or any other source.
9. Programming (modification of software code) and program (software) maintenance.
10. Project or major system upgrades/enhancements.
11. Training Services of any kind.

4. Place of Performance

Unless otherwise provided in this Agreement, HEI may perform the Services in whole or in part at HEI's place of business, Customer's place of business, and/or such other locations as HEI may select.

5. Effective Date; Term

This Agreement shall be effective as of the date first above written (the "Effective Date"), and shall continue in full force and effect for a period of one year, and be reviewed annually to address any necessary adjustments or modifications.

(a) This Agreement may be terminated by the Customer upon sixty (60) days written notice if the Service Provider:

- I. Fails to fulfill in any material respect its obligations under this Agreement and does not cure such failure within thirty (30) days of receipt of such written notice.
- II. Breaches any material term or condition of this Agreement and fails to remedy such breach within thirty (30) days of receipt of such written notice.

(b) This Agreement may be terminated by the Service Provider upon sixty (60) days written notice to the Customer.

(c) If either party terminates this Agreement, Service Provider will assist Customer in the orderly termination of services, including timely transfer of the services to another designated provider. Customer agrees to pay Service Provider the actual costs of rendering such assistance.

6. Payment Terms

(a) Customer agrees to pay HEI on a monthly basis the monthly service fees identified on the Service Order Form (Attached as Exhibit A), and any additional Supplemental Services (as described below) incurred during a given billing month. Invoices are provided to the Customer on a monthly basis, and are due NET 30.

Refer to Exhibit C for services covered by the monthly fees under the terms of this Agreement.

(b) The first monthly invoice will include an additional one-time setup fee equal to the monthly service fee, as well as prorated portion of the monthly service fee from the Service Commencement Date through the last day of the calendar month.

(c) If Customer's action or inaction results in non-receipt of payment by HEI, HEI shall have the right, exercisable in HEI's sole discretion, in addition to its other rights and remedies, to cease further performance of the Services hereunder.

(d) Should adjustments or modifications be required that increase the monthly fees paid for the services rendered under this Agreement, these increases will be discussed and agreed to prior to implementation.

(e) *It is understood that any and all Supplemental Services (or "Projects") requested by Client that fall outside of the terms of this Agreement will be billed separately as Supplemental Services.* This includes a variety of additional technical services on hourly or fixed fee basis. Supplemental Services will be performed only upon Customer's advanced written approval, and will be invoiced at HEI's published rates (Attached as Exhibit E, "Pricing for Hourly and Project Services"), subject to discounts or rate premiums as appropriate.

(f) In addition to paying for labor expended, Customer shall reimburse HEI for the cost of all goods and materials purchased exclusively for use in performing the Services or which are incorporated into any Deliverable, as well as for all reasonable travel expenses and miscellaneous out-of-pocket expenses incurred in performing the Services (excepting local travel required by HEI in conjunction with services provided under the Agreement as set forth herein). Such costs and expenses shall be approved in advance.

(g) It is understood that any Federal, State, or Local Taxes applicable shall be added to each invoice for services or materials rendered under this Agreement. Customer shall pay any such taxes unless a valid exemption certificate is furnished to Service Provider.

7. Resources to be Provided by Customer

(a) Customer shall furnish access to Customer's premises, and appropriate workspace for any HEI personnel working at Customer's premises, as necessary for performance of those portions of the Services to be performed at Customer's premises.

8. Confidentiality

(a) Confidential Information is information such as:

- I. Information conspicuously marked as (or if disclosed verbally, designated as) “confidential” or “proprietary”.
- II. Content transmitted to or from or stored on Customer network; security and/or audit reports; specific configuration details of Customer infrastructure.
- III. HEI unpublished price lists and terms of service; system configurations and/or designs; other proprietary technology.

(b) It is understood by the parties that HEI will by necessity have occasional access to Customer’s Confidential Information, and likewise Customer will have occasional access to HEI’s Confidential Information. Each party agrees not to use the other party’s Confidential Information except in connection with the performance or use of the Services, or disclose such information to a third party, except as provided in subsection (c) below.

(c) Customer agrees that HEI may, without notice, report to authorities any conduct by Customer that HEI reasonably believes violates applicable law, and provide information, including Confidential Information, as required by law or regulation to disclose, or in response to a formal or informal request from a law enforcement agency.

(d) Nothing in this Agreement shall be deemed to restrict or prohibit HEI from providing to others the same or similar Services. In providing any such similar Services to any third party, HEI shall keep confidential any Customer Confidential Information pursuant to this section.

9. Intellectual Property

(a) As used herein, “Intellectual Property” shall mean inventions (whether or not patentable), works of authorship, trade secrets, techniques, know-how, ideas, concepts, algorithms, and other intellectual property incorporated in the delivery of Services. HEI shall retain ownership of and unrestricted right to use any Intellectual Property developed or enhanced while providing the Services. The Services performed and any deliverable items produced pursuant to this Agreement are not “works for hire.”

(b) Customer and HEI shall each retain ownership of, and all right, title and interest in and to, their respective, pre-existing Intellectual Property, and no license therein, whether express or implied, is granted by this Agreement or as a result of the Services performed hereunder. To the extent the parties wish to grant to the other rights or interests in pre-existing Intellectual Property, separate license agreements on mutually acceptable terms will be executed.

10. Limited Warranty

(a) HEI warrants that the Services provided under this Agreement shall be performed with that degree of skill and judgment normally exercised by recognized professional firms performing services of the same or substantially similar nature. In the event of any breach of the foregoing warranty, provided Customer has delivered to HEI timely notice of such breach as hereinafter required, HEI shall, at its own expense, in its discretion either: (1) re-perform the non-conforming Services to conform to this standard; or (2) refund to Customer that portion of the amounts received by HEI attributable to the non-conforming Services. No warranty claim shall be effective unless Customer has delivered to HEI written notice specifying in detail the non-conformities within 90 days after performance of the non-conforming Services. In no circumstance shall the refund exceed the equivalent of one month's recurring service charges. The remedy set forth in this subsection is the sole and exclusive remedy for breach of the foregoing warranty.

(b) HEI SPECIFICALLY DISCLAIMS ANY OTHER EXPRESS OR IMPLIED STANDARDS, GUARANTEES, OR WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, AND ANY WARRANTIES THAT MAY BE ALLEGED TO ARISE AS A RESULT OF CUSTOM OR USAGE, ANY WARRANTY OF ERROR-FREE PERFORMANCE, OR ANY WARRANTY OF THIRD PARTY PRODUCTS, OR FUNCTIONALITY OF THE CLIENT'S HARDWARE, SOFTWARE, FIRMWARE, OR COMPUTER SYSTEMS. HEI DOES NOT WARRANT OR REPRESENT THAT THE SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR COMPLETELY SECURE. CUSTOMER ACKNOWLEDGES THAT THERE ARE RISKS INHERENT IN COMPUTER NETWORK SERVICES THAT COULD RESULT IN THE LOSS OF CUSTOMER'S PRIVACY, CONFIDENTIAL INFORMATION, PROPERTY, OR BUSINESS REVENUES.

(c) Customer represents and warrants to HEI that Customer has the right to use and furnish to HEI for HEI' use in connection with this Agreement, any information, specifications, data or Intellectual Property that Customer has provided or will provide to HEI in order for HEI to perform the Services.

11. Limitation of Liability

(a) HEI total liability to Customer for any and all liabilities, claims or damages arising out of or relating to this Agreement, howsoever caused and regardless of the legal theory asserted, including breach of contract or warranty, tort, strict liability, statutory liability or otherwise, shall not, in the aggregate, exceed the amount actually paid to HEI under this Agreement during the month when alleged claim occurred.

(b) In no event shall either HEI or Customer be liable to the other for any punitive, exemplary, special, indirect, incidental or consequential damages (including, but not limited to, lost profits, lost business opportunities, loss of use or equipment down time, and loss of or corruption to data arising out of, or relating to this Agreement, regardless

of the legal theory under which such damages are sought, and even if the parties have been advised of the possibility of such damages or loss.

12. Non-Waiver of Rights

The failure of either party to insist upon performance of any provision of this Agreement, or to exercise any right, remedy or option provided herein, shall not be construed as a waiver of the right to assert any of the same at any time thereafter.

13. Rights and Remedies Not Exclusive

Unless otherwise expressly provided herein, no right or remedy of a party expressed herein shall be deemed exclusive, but shall be cumulative with, and not in substitution for, any other right or remedy of that party.

14. Severability

If any covenant, condition, term, or provision contained in this Agreement is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such covenant, condition, term, or provision shall be severed from this Agreement, and the remaining covenants, conditions, terms and provisions contained herein shall continue in force and effect, and shall in no way be affected, prejudiced or disturbed thereby.

15. Conflicting Provisions

This Agreement and all of the exhibits, schedules, and documents attached hereto are intended to be read and construed in harmony with each other, but in the event any provision in any attachment conflicts with any provision of this Agreement, then this Agreement shall be deemed to control, and such conflicting provision to the extent it conflicts shall be deemed removed and replaced with the governing provision herein.

16. Assignment

Neither party may sell, assign, transfer, or otherwise convey any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other party, except that HEI may, upon written notice to the Customer, assign this Agreement pursuant to a merger or a sale of all or substantially all of its assets or stock to a parent, subsidiary or affiliate. Notwithstanding the foregoing, HEI may without violation of this paragraph engage the services of independent contractors to assist in the performance of its duties hereunder.

17. Applicable Law

This Agreement shall be governed by and construed under the laws of the State of

Texas, without regard to its laws relating to conflict or choice of laws. Venue for all legal proceedings hereunder shall be in Bexar County, Texas.

18. Interpretation

The captions and headings used in this Agreement are solely for the convenience of the parties, and shall not be used in the interpretation of the text of this Agreement. Each party has read and agreed to the specific language of this Agreement; therefore no conflict, ambiguity, or doubtful interpretation shall be construed against the drafter.

19. Disputes

RESERVED

20. Force Majeure

Neither party shall be liable for any failure of or delay in performance of its obligations under this Agreement to the extent such failure or delay is due to acts of God, acts of a public enemy, fires, floods, power outages, wars, civil disturbances, sabotage, terrorism, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes (whether or not the employees' demands are reasonable and/or within the party's power to satisfy), failure of common carriers, Internet Service Providers, or other communication devices, acts of cyber criminals, terrorists or other criminals, acts of any governmental body (whether civil or military, foreign or domestic), failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, authorizations, licenses, franchises or permits, inability to obtain labor, materials, power, equipment, or transportation, or other circumstances beyond its reasonable control (collectively referred to herein as "Force Majeure Occurrences"). Any such delays shall not be a breach of or failure to perform this Agreement or any part thereof and the date on which the obligations hereunder are due to be fulfilled shall be extended for a period equal to the time lost as a result of such delays. Neither party shall be liable to the other for any liability claims, damages or other loss caused by or resulting from a Force Majeure Occurrence.

21. Multiple Copies or Counterparts of Agreement

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be effective until the execution and delivery between each of the parties of at least one set of the counterparts.

22. Notices

All notices or other written communication required or permitted to be given under any provision of this Agreement shall be deemed to have been given by the notifying party if mailed by certified mail, return receipt requested, to the receiving party addressed to the mailing address set forth in the first paragraph of this Agreement, or such other address as the parties may designate in writing to the other parties. Additionally, notices sent by any other means (i.e., facsimile, overnight delivery, courier, etc.) may be acceptable subject to written confirmation of both the transmission and receipt of the notice.

23. Relationship of Parties

HEI is an independent contractor in all respects with regard to this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership, joint venture, agency, or other relationship other than that of contractor and customer.

24. Third Party Beneficiaries

This Agreement does not create, and shall not be construed as creating, any rights or interests enforceable by any person not a party to this Agreement.

25. Waiver or Modification

This Agreement may be modified, or part or parts hereof waived, only by an instrument in writing specifically referencing this Agreement and signed by an authorized representative of the party against whom enforcement of the purported modification or waiver is sought.

26. Entire Agreement

This Agreement, including any and all Exhibits attached hereto, which are hereby incorporated by reference, constitutes the entire agreement and understanding between the parties and supersedes and replaces any and all prior or contemporaneous proposals, agreements, understandings, commitments or representations of any kind, whether written or oral, relating to the subject matter hereof or the Services or Deliverables to be provided hereunder.

27. Survival

The provisions of sections 6, 8, 9, 10, 11, and 19 shall survive the termination or expiration of this Agreement.

EXHIBIT A – SERVICE ORDER FORM

Customer: The City of Windcrest
 Service: Managed Services Plan – 1 Year Term
 Date: 1 August 2011

Description:

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	<u>Managed Services (Servers)</u>		
5	Premium Care - Server	\$155.00	\$775.00
3	Standard Care - Server	\$135.00	\$405.00
3	Basic Care - Server	\$85.00	\$255.00
	<u>Managed Services (Workstations)</u>		
5	Premium Care - Workstation	\$65.00	\$325.00
30	Standard Care - Workstation	\$50.00	\$1,500.00
15	Basic Care - Workstation	\$25.00	\$375.00
	<u>Managed Services (Infrastructure)</u>		
8	Basic Care - Infrastructure	\$20.00	\$160.00
2	Uncharged Support Hours (Above Plan) Included ie: first two hours of support beyond the plan (normally chargeable) are included without additional cost	\$100.00	\$0.00
SUBTOTAL			\$ 3,795.00
5% Contract Discount			(189.75)
TOTAL			\$ 3,605.25

NOTE: All support during extended core hours is included in the plan without limit, across the enrolled system inventory and covered services. This includes the vast majority of contemplated requirements. Afterhours support, and out-of-scope work that is required from time to time is separately chargeable (and approved in advance). The two included hours offset the cost of these activities in any given month where they are required. In other words, the first two hours of additional charges in any given month are waived.

TO BE FINALIZED BEFORE EXECUTION

EXHIBIT B – ENROLLED INVENTORY

Desktop Computers

	Quantity	Location	Description
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

Servers

	Quantity	Location	Description
1			
2			
3			
4			
5			

Other Devices

	Quantity	Location	Description
1			
2			
3			
4			
5			
6			

TO BE FINALIZED BEFORE EXECUTION

EXHIBIT C – SERVICES OVERVIEW

Description	Basic	Standard	Premium
Service Delivery Model	Basic	Standard	Premium
Covered Support Services	Included	Included	Included
Non-Covered Support Services Cost	Standard Rate(s)	5% Discount	10% Discount
Non-Covered Engineering, Planning & Response Services Cost	Standard Rate(s)	Standard Rate(s)	5% Discount
Support Hours	Core	Extended Core	Extended Core
After-hours Support Escalation	Available Premium Rate	Available Standard Rate	Available Standard Rate (No Charge for Critical Issue Support)
Strategic IT Support	Limited	Yes	Yes
On-Boarding Process	Limited	Assess & Recommend	Assess, Engineer, & Transition
Reporting & Analysis	Detailed Summary	Detailed Analysis and Reporting	Detailed Analysis and Reporting with Trending
Business & Technology Assessment	Available	Annual Included	Annual Included
Surrogate CIO	Available	Basic	Advanced
End User Support (Desktop & Laptop)			
Proactive Platform Support			
System Monitoring	Included	Included	Included
Operating System Management	Included	Included	Included
Application Management (Microsoft Applications)	Included	Included	Included
Application Management (Core 3rd party Applications)	Hourly	Included	Included
Performance Tuning	Hourly	Included	Included
Security and Virus Protection	Required	Included	Included
Application Management (Line of Business Applications)	Hourly	Available/Hourly	Available/Hourly
Backup and Archiving	Available	Available	Available
On-Demand Problem Resolution			
Operating System Support	Included	Included	Included
Application Support (Microsoft Applications)	Included	Included	Included
Application Support (Core 3rd party Applications)	Hourly	Included	Included
Peripheral Configuration/Reconfiguration	Hourly	Included	Included
Application Support (Line of Business Applications)	Hourly	Available/Hourly	Available/Hourly
Server Support			
Proactive Platform Support			
System Monitoring	Included	Included	Included
Operating System Management	Included	Included	Included
Application Management (Microsoft Applications)	Included	Included	Included
Application Management (Core 3rd party Applications)	Hourly	Included	Included
Performance Tuning	Hourly	Included	Included
Security and Virus Protection	Required	Included	Included
Application Management (Line of Business Applications)	Hourly	Available/Hourly	Available/Hourly
Storage Capacity Planning	Hourly	Included	Included
Server Capacity Management & Planning	Hourly	Included	Included
Backup and Archiving	Available	Available	Available
Repository Management	Available	Available	Available
On-Demand Problem Resolution			
User Administration	Included	Included	Included
Operating System Support	Included	Included	Included
Application Support (Microsoft Applications)	Included	Included	Included
Disk and File Management (Access Management)	Hourly	Included	Included
Application Support (Line of Business Applications)	Hourly	Available/Hourly	Available/Hourly

Description	Basic	Standard	Premium
Network & Infrastructure (On-Demand Pricing)			
Proactive Platform Support			
Device Monitoring	Included	Included	Included
Performance Tuning	Hourly	Included	Included
Hardware Lifecycle Management	N/A	N/A	N/A
Capacity Management & Planning	Hourly	Included	Included
On-Demand Problem Resolution			
Device Problem Resolution	Included	Included	Included
Router Filtering Rule Management	Hourly	Included	Included

Additional Service & Support Offerings (Hourly or Project Based Pricing)

Advanced Services
Planning & Process Management
Systems Research, Planning & Product Management
Evaluation for Purchase
Security and Virus Protection
Business Continuity and Recovery Planning
Information Architecture Planning
Information Security Planning
Asset Management
Auditing/Custom Reporting
Purchasing & Procurement
Vendor Management
Software Licensing
Implementation & Installation (Software/Hardware)
App Development

EXHIBIT D – RESPONSE & RESOLUTION TIMES

The following table shows the targets for response and resolution times within **Extended Core Hours** for each priority level:

Priority	Trouble	Technician Assigned	Resolution Time Target
1	Service not available • Critical functions affected for all users • Example: Primary Server crashes	Within 30 minutes	ASAP (Best Effort)
2	Significant degradation of service • Critical functions affected for one or more users • Example: Accounting or business application is down	Standard Plan: Within 30 minutes Premium Plan: Within 1 hour	Within 4 Hours (Best Effort)
3	Limited degradation of service • Non-critical functions affected for all users • Non-functioning printer; other printers available	Standard Plan: Within 2 hours Premium Plan: Within 4 hours	Within 8 Hours (Best Effort)
4	Small service degradation • Non-critical functions affected for one or more users • User cannot access default printer	Standard Plan: Within 2 hours Premium Plan: Within 4 hours	Within 48 Hours (Best Effort)

EXHIBIT E – PRICING FOR HOURLY AND PROJECT SERVICES

Service Rates

Information Systems Security: \$150 - \$350 / hr

- Vulnerability Assessment
- IDS Monitoring
- Risk Management
- Network Penetration Testing
- Data Recovery
- Court Testimony

Infrastructure Design and Implementation:

Basic Technician **\$60 / hr**

- Cabling (labor only, no materials)
- Equipment Relocation

Network Administration **\$100 / hr**

- MS Server Installation and Configuration
- BlackBerry Server Installation
- User Account Management
- Printer Configuration
- Software Installation
- Workstation Installation & Configuration
- Group Policy Settings
- Software Patches and Updates
- Application Installation
- Basic Printer Installation

Network Engineering **\$150 / hr**

- System Design and Architecture
- Backup and Disaster Recovery Planning
- Firewall Implementation
- Wireless Solutions
- WAN Configuration
- Scripting

Custom Application and System Development:

<u>Programmer</u>	\$100 / hr
<u>Senior Programmer</u>	\$125 / hr
<u>Architect</u>	\$150 / hr
<u>Project Manager</u>	\$150 / hr

Services:

Database Design (SQL Server)
Web Development (ASP.net, PHP, etc.)
SharePoint Services
Custom Interfaces and Program Integration

Note: Proposals are typically provided for engagements larger than 80 hours and pricing is commensurate with the scope of the project.

Infrastructure Connectivity:

Cabling	\$135 / drop (includes materials)
Telephony / VoIP	Individual Case Basis

Support Response

Customers that have established a contract with HEI-SS will receive priority service based on the terms and conditions within their service level agreement. For customers not on a contract, service requests are handled in the order by which they are received, as well as the severity of the issue. As an example, a customer experiencing network outage would receive priority over a single user that cannot print.

Services are billed at time and materials. Rates shown are for services performed during the core business hours of 8am to 6pm, Monday through Friday. Unless arrangements are made beforehand (such as scheduled upgrades or weekend downtime), services performed after core hours are billed at a time and a half premium rate.

There is a minimum 1 hour charge for onsite support. This minimum is waived if the customer is enrolled in the HEI-SS Preferred or Advanced Management Services. After the first hour, work is billed in .25 increments.

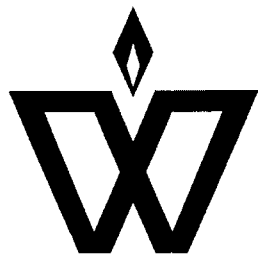
Main Contact Number for Support

In order to provide better service and support, it is requested that customers contact the main phone number at 210-979-7770 rather than individual technicians directly.

EXHIBIT F – ONBOARDING AND TRANSITION PROJECT

QUANTITY	DESCRIPTION	PRICE	AMOUNT
	<u>Server Hardware</u>		
1	Storage Server	\$6,225.00	\$6,225.00
2	RAM Upgrade (Budget allotment; actual costs billed)	\$335.00	\$670.00
1	Misc Cables/Accessories (Budget allotment; actual costs billed)	\$75.00	\$75.00
	<u>Desktop Hardware</u>		
7	Business Class Desktop	\$895.95	\$6,271.65
	<u>Labor - Rationalize the Network</u>		
24	Final Engineering and System Design	\$100.00	\$2,400.00
40	Migrate Core Infrastructure	\$100.00	\$4,000.00
160	Application Migration & Configuration	\$100.00	\$16,000.00
24	Migrate Exchange Infrastructure	\$100.00	\$2,400.00
50	Desktop Refresh	\$100.00	\$5,000.00
SUBTOTAL			\$ 43,041.65
Labor Discount (10%) (w/ Premium Plan)			(2,980.00)
TOTAL			\$ 40,061.65

This infrastructure upgrade project baselines the desktops and network infrastructure to bring it into conformance with industry best practices and transition it into a supportable total solution. It assumes software upgrade licenses and “cloud hosting” services are purchased via separate upgrade project.



WINDCREST

TEXAS

City Council Agenda Item Report

July 6, 2011

Contact – Sarah Mangham, Municipal Finance Officer
smangham@windcrest-tx.gov

SUBJECT: Deliberation and possible action on approving the Request for Proposals (RFP) for Auditing Services and selecting an audit committee.

1. BACKGROUND/HISTORY

The City usually goes out for Audit Services every 3 to 5 years. This year is the City will be looking for new Auditors for the Fiscal Year 2010/11 Audit.

2. FINDINGS/CURRENT ACTIVITY

Attached is a RFP for Auditing Services. The RFP has been reviewed by Mr. Brennan and Mr. Adams (the EDC attorney). This RFP provides the flexibility to allow the City and the EDC to select the same firm or separate firms as it relates to auditing the EDC. The RFP Schedule is as follows:

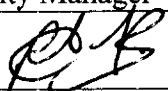
- July 18th – RFP opens for 21 days
- August 8th – RFPs are due
- Week of August 22nd – Special meeting to provide recommends from Audit Committee
- September 19th – award contract to the selected Auditing Firm.

Staff recommends a review committee of the following:

- 2 Council Members
- 2 EDC Members
- 1 to 2 City Staff (only to provide comments and assist Council and EDC members with questions as it relates to day to day operations)

3. ACTION OPTIONS/RECOMMENDATION

Staff recommends the approval of the Auditing RFP, and selecting 2 Council Members and 1 to 2 staff members to be on the review committee.

City Manager	Consent Agenda	Action Item	Comments
			

Att. 4

CITY OF WINDCREST, TEXAS
REQUEST FOR PROPOSALS
PROFESSIONAL AUDIT SERVICES

The City of Windcrest, Texas is requesting proposals from qualified firms of certified public accountants to perform the annual audit of the City's financial records and internal controls for the fiscal year ending September 30, 2011.

There is no expressed or implied obligation for the City of Windcrest to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

I. Introduction/Background

Type Home Rule

Population approximately 5,405

FY 2010-2011 Budget approximately \$7.1 Million

General Fund	\$ 5.20 Million
Enterprise Funds	\$0.75 Million
Other Funds	\$0.80 Million
Capital Funds	\$0.30 Million

General Fund Revenue sources:

Ad valorem taxes	36%
Sales tax	36%
Franchise taxes	11%
Other	17%

Outstanding debt: \$1.65 Million

A. Fund Structure

Funds include General, Special Revenue Funds, Enterprise Fund, Capital Project Funds, and Debt Service. The Economic Development Corp and the Windcrest Crime Control & Prevention District are the Component Units.

The Special Revenue Funds consist of several individual funds: Municipal Court Security, Municipal Court Technology, Grants, Asset Seizure (federal and state), County Fire Contribution, School Crossing Guard, Police Donations, Police Education Training, Roosevelt Scholarship, and the Hotel Occupancy Tax Fund.

The City of Windcrest prepares its budget on a modified accrual basis.

B. Pension Plans

The City of Windcrest is a member of the Texas Municipal Retirement System.

C. Component Units

The Component units are the Windcrest Economic Development Corporation and the Windcrest Crime Control & Prevention District.

D. Computer Software

The City uses Incode for its accounting software.

E. Availability of Prior Audit Reports and Working Papers

Copies of past annual reports are available upon request. Firms interested in making proposals may view past audits and budgets on the City's website at www.ci.windcrest.tx.us

F. Report Preparation

Report preparation, editing, and printing will be the responsibility of the successful bidder.

The final document, as prepared by the successful bidder must be provided to the City in electronic form in PDF (Portable Document Format) and be accompanied by 15 bound copies of the final audit for distribution to City Council and other entities as needed.

G. Assistance Provided to the Auditor and/or Report Preparation

The City of Windcrest Staff Members will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the successful bidder.

H. Statements and Schedules to be prepared by the successful bidder and reviewed by the City's Municipal Finance Officer prior to final document being created.

The Municipal Finance Officer will prepare a preliminary trial balance and supporting schedules where necessary. Other schedules will be prepared as reasonably requested by the auditor. The final trial balance will be prepared to include all year-end adjustments.

I. Work Area and Equipment

The City of Windcrest will provide the auditor with reasonable workspace and chairs. The auditor will also be provided with reasonable access to a telephone, photocopier, and fax machine.

II. SCOPE OF SERVICES

The audit should include tests of accounting records of the City and other procedures considered necessary to express an unqualified opinion that the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. At the end of the audit, if warranted, a management letter to the Mayor and City Council should include any suggestions for improvements in management practices.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts to the City Manager and the Mayor of the City of Windcrest.

In the required report on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design of operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Windcrest of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the City of Windcrest and to respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

15 copies of the final audit report shall be provided to the City.

The auditor will be responsible presenting the final audit to the City Council at the date listed below.

III. DATES OF AUDIT

City staff anticipates completing all FY11 entries by November 18, 2011. The audit may begin after that date. Field work should be completed by December 21, 2011, and a draft report sent to the Director of Finance no later than January 31, 2012. The final published audit is scheduled for presentation to the City Council on March 5, 2012 and should be provided to them for review by February 24, 2012.

The above dates may be revised by mutual agreement of the auditor and the City Manager.

IV. TERM OF AGREEMENT

The agreement shall commence on September 19, 2011 and continue through September 30, 2011 and shall renew automatically on October 1, 2011 for a period of twelve months for no more than 4 renewal periods.

Either entity may cancel and terminate the agreement by providing written notice of cancellation at least 120 days prior to the annual start date of October 1.

V. QUALIFICATIONS OF COMPANY

A. The company must demonstrate the experience and qualifications of the key personnel to be assigned and committed to this project. Responding companies must demonstrate that personnel to be assigned to the project have experience in conducting audit services in similar nature.

B. In addition to the experience required of the key personnel, the company must have experience as a company in audit services of a similar organization and must provide references (names, addresses, and telephone numbers) of completed projects or those currently in progress.

VI. PROPOSAL REQUIREMENTS

The company's proposal should be organized into two major components: Technical Proposal and Price Proposal.

A. Technical Proposal

To be considered, one (1) original and three (3) copies of the proposal must be received by Sarah Mangham, Municipal Finance Officer, 8601 Midcrown, Windcrest, Texas 78239 by 4 p.m., August 8, 2011. Late proposals will not be considered. The proposal should include:

1. A signed letter of transmittal briefly stating the firm's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm is the best qualified to perform the audit and a statement that the proposal is a firm and irrevocable offer for the period stated.
2. A list and description of any professional relationships involving the City of Windcrest for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, any auditors assigned to the audit or having

oversight of the work performed should disclose any personal or financial relationships with the Mayor, any person on the City Council, or with any staff member in a position with the City of Windcrest that might create a conflict of interest, or the appearance of a conflict of interest, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

3. A statement of the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.
4. Information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.
5. For the firm's office that will be assigned responsibility for the audit, list the five (5) most significant engagements performed in the last five years that are similar to the engagement described in this request for proposal. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

B. Price Proposal

A sealed fee estimate should contain all pricing information relative to performing the audit including rates of compensation and number of anticipated hours of each level of staff that may be assigned to this audit. The total all-inclusive maximum fee should include all direct and indirect costs and anticipated out-of-pocket expenses.

Please submit pricing as follows:

1. Pricing to include City and the Component Units
2. Pricing to include the City and 1 Component Unit (Windcrest Crime Control and Prevention District)
3. Pricing to include 1 Component Unit (Windcrest Economic Development Corporation)

If it should become necessary for City of Windcrest to request the auditor to perform additional work as a result of the specific recommendations included in any report

issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between City of Windcrest and the firm. Any such additional work agreed to between City of Windcrest and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

VALUATION OF PROPOSALS

Proposals will be evaluated by a review team appointed by the City Council. During the evaluation process, the City of Windcrest may request additional information or clarifications or allow corrections of errors or omissions. At the discretion of the City Manager or the City Council, some, but not necessarily all, firms submitting proposals may be asked to make oral presentations as part of the evaluation process.

The City of Windcrest reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Windcrest and the firm selected.

It is expected that final selection will be made in the regular City Council meeting in August 2011.

VII. SEC RULE 15c2-12 ANNUAL DISCLOSURE REQUIREMENT

The City welcomes a separate, preliminary cost estimate for professional services for preparing an annual report to comply with SEC Rule 15c2-12.

ADDITIONAL INFORMATION:

A copy of the FY 2010-11 Budget and the FY 2009-10 Audit Report are available for your review on the City website www.ci.windcrest.tx.us.

The City of Windcrest reserves the right without prejudice to reject any or all proposals, to request more information, or to extend the date of final selection.



WINDCREST

TEXAS

City Council Agenda Item Report

July 6, 2011

Contact – Sarah Mangham, Municipal Finance Officer
smangham@windcrest-tx.gov

SUBJECT: Deliberation and possible action on approving a resolution to become a member of The Local Government Purchasing Cooperative.

1. BACKGROUND/HISTORY

The City has implemented a Purchasing Policy that allows the City to purchase items thru the competitive bidding process.

2. FINDINGS/CURRENT ACTIVITY

The attached Resolution and Contract allows the City to utilize the competitive bidding that the Local Government Purchasing Cooperative completes. Any local government can become a member, and there is no cost to the City.

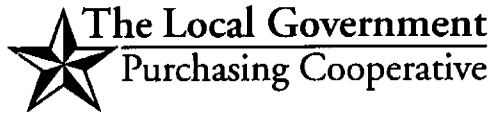
The Cooperative analyzes and makes award recommendations for products and services that have been submitted for competitive procurement as outlined by state statute. By using this Cooperative, the City will realize the benefits of competitive bidding in bulk. City Staff will look at the cost of a product or service from the usual recommended vendor by staff, compare that to the product if it is available thru the Cooperative. The purchase will be made by using the best priced item. If the local vendor (within Windcrest), is within 5% the City may use the local vendor if he is priced higher. Depending on the amount, if it's not available thru the Cooperative, the City will work to obtain 2 other quotes to ensure that the City is receiving the best priced item.

3. ACTION OPTIONS/RECOMMENDATION

Staff recommends the approval of the resolution to become a member of the Local Government Cooperative.

City Manager	Consent Agenda	Action Item	Comments
			

Att. 7



BOARD RESOLUTION

of

City of Windcrest

(Name of Local Government)

Cooperative Member

WHEREAS, the City of Windcrest, (hereinafter "Cooperative Member") desires to participate in a local government cooperative purchasing program pursuant to the authority granted by Chapter 751 of the Texas Government Code, the Interlocal Cooperation Act ("Act");

WHEREAS, the City of Windcrest, has elected to be a Cooperative Member in the The Local Government Purchasing Cooperative (hereinafter "Cooperative"), a local government purchasing cooperative program created by local governments in accordance with and pursuant to the Act and Section 271.101, *et seq.*, of the Texas Local Government Code;

WHEREAS, the Cooperative Member, is of the opinion that participation in the Cooperative's purchasing program will be highly beneficial to the taxpayers of the local government through the efficiencies and potential savings to be realized; and

WHEREAS, the Cooperative Member desires to participate and join with other local governments in an Interlocal Participation Agreement ("Agreement") for the purpose of fulfilling and implementing their respective public and governmental purposes, needs, objectives, programs, functions and services;

NOW, THEREFORE, BE IT RESOLVED, that the Cooperative Member requests that the Cooperative include its stated needs for all categories, including but not limited to, instructional, maintenance, custodial, and food service goods and services, in the Cooperative's purchasing program and select vendors for those items, whereby the Cooperative Members may be allowed to purchase those items from the Cooperative's contracts; and that Cooperative is authorized to sign and deliver necessary requests and other documents in connection therewith for and on behalf of the Cooperative Members that have elected to participate.

FURTHER, BE IT RESOLVED, that the Board of Trustees of the Cooperative Member authorizes its Board President, Superintendent or other officer to execute the Interlocal Participation Agreement which includes the adoption and approval of the Organizational Interlocal Agreement previously executed and adopted by two or more local governments.

FINALLY, BE IT RESOLVED that the execution of this Resolution shall evidence the election of Cooperative Member and eligible local governments to become members of the Cooperative upon the terms and conditions stated. The Board of Trustees has, and at the time of adoption of this Resolution had, full power and lawful authority to adopt the foregoing Resolution and to confer the obligations, powers, and authority to the persons named, who are hereby granted the power to exercise the same.

I certify that the foregoing is a true and correct copy of the resolution duly adopted by City of Windcrest, on the 6th day of July, in
(Name of Local Government)
the year 2011, and that the same now appears of record in its official minutes.

City of Windcrest, Cooperative Member
(Name of Local Government)

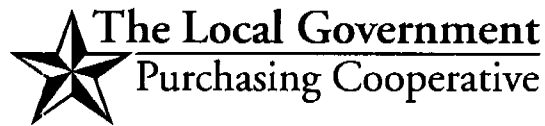
By: _____ Date: _____
Authorized Representative

Mayor
(Title)

ATTEST:

Secretary of the Board

Date:



INTERLOCAL PARTICIPATION AGREEMENT

This Interlocal Participation Agreement ("Agreement") is made and entered into by and between The Local Government Purchasing Cooperative ("Cooperative"), an administrative agency of cooperating local governments, acting on its own behalf and the behalf of all participating local governments, and the undersigned local government of the State of Texas ("Cooperative Member").

I. RECITALS

WHEREAS, a local government entity is authorized by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, to agree with other local government entities to form a purchasing cooperative; and

WHEREAS, the Cooperative is further authorized as a local purchasing cooperative organization as set forth in Section 271.101, *et seq.*, of the Texas Local Government Code; and

WHEREAS, the purpose of this Agreement is to facilitate compliance with state procurement requirements, to identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize the various potential economies, including administrative cost savings, for Cooperative Members;

NOW THEREFORE, in consideration of the mutual covenants, promises and obligations contained herein, the undersigned Cooperative Member and the Cooperative agree as follows.

II. TERMS AND CONDITIONS

1. **Adopt Organizational Interlocal Cooperation Agreement.** The Cooperative Member by the execution or acceptance of this Agreement hereby adopts and approves the Organizational Interlocal Agreement dated January 26, 1998, which agreement is incorporated herein by reference (and is available from the Cooperative upon request). The Organizational Interlocal Agreement established the Cooperative as an administrative agency of its collective participants, and Cooperative Member agrees to become a participant or additional party to that Organizational Interlocal Agreement.
2. **Term.** The initial term of this Agreement shall commence on the date it is executed by both parties and shall automatically renew for successive one-year terms unless sooner terminated in accordance with the provisions of this Agreement. If the Cooperative Member is an existing Cooperative Member that joined the Cooperative by executing a participation agreement which authorized amendment upon the Cooperative providing 60 days notice, then this Agreement will be deemed an Amendment by Notice,

which will be effective on the 61st day that the Cooperative Member is sent notice of this document. In addition, this Agreement will continue to automatically renew for successive one-year terms on the anniversary date of the Cooperative Member's initial term (not the effective date of the Amendment by Notice), unless the Agreement is sooner terminated in accordance with the provisions herein.

3. Termination.

- (a) **By the Cooperative Member.** This Agreement may be terminated by the Cooperative Member at any time by thirty (30) days prior written notice to the Cooperative, provided any amounts owed to the Cooperative and any vendor have been fully paid.
- (b) **By the Cooperative.** The Cooperative may terminate this Agreement by:
 - (1) Giving ten (10) days notice by certified mail to the Cooperative Member if the Cooperative Member breaches this Agreement; or
 - (2) Giving thirty (30) days notice by certified mail to the Cooperative Member with or without cause.
- (c) **Termination Procedure.** If the Cooperative Member terminates its participation under this Agreement or breaches this Agreement, or if the Cooperative terminates participation of the Cooperative Member, the Cooperative Member shall bear the full financial responsibility for all of its purchases made from vendors under or through this Agreement. The Cooperative may seek the whole amount due, if any, from the terminated Cooperative Member. In addition, the Cooperative Member agrees it will neither be entitled to a refund of any membership dues paid nor a distribution which may occur after the Cooperative Member terminates from the Cooperative.

4. Payments by Cooperative Member.

- (a) The Cooperative Member agrees to pay membership fees as may be required by the Cooperative. The Cooperative will provide the Cooperative Member with 60 days prior written notice of any change in the membership fee before such fee becomes effective. Membership fees are payable by Cooperative Member within 30 days of receipt of an invoice from the Cooperative or its designee, unless otherwise provided by law. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Section 2251.021, *et seq.*, Texas Government Code, shall begin to accrue daily on the 46th day following the due date and continue to accrue until the membership fees and late charges are paid in full. The Cooperative reserves the right to collect all funds that are due to the Cooperative in the event of termination by Cooperative Member or breach of this Agreement by Cooperative Member.
- (b) In addition to membership fees, the Cooperative Member will make timely payments to the vendor for the goods, materials and services received in accordance with the terms and conditions of the bid invitation, instructions, and all other applicable procurement documents. Payment for goods, materials and services and inspections and acceptance of goods, materials and services ordered by the procuring Cooperative Member shall be the exclusive obligation of

the procuring Cooperative Member, and not the Cooperative. Furthermore, the Cooperative Member is solely responsible for negotiating and securing ancillary agreements from the vendor on such other terms and conditions, including provisions relating to insurance or bonding, that the Cooperative Member deems necessary or desirable under state or local law, local policy or rule, or within its business judgment.

5. **Payments by Vendors.** The parties agree that the Cooperative will require payment from vendors which are selected to provide goods, materials or services to Cooperative Members. Such payment (hereafter "Vendor Fees") may be up to two percent (2%) of the purchase price paid by Cooperative Members or a flat fee amount that may be set from time to time by the Cooperative Board of Trustees. Cooperative Member agrees that these Vendor Fees fairly compensate the Cooperative for the services and functions performed under this Agreement and that these Vendor Fees enable the Cooperative to pay the administrative, endorsement, licensing, marketing, and other expenses involved in successfully operating a program of electronic commerce for the Cooperative Members. Further, Cooperative Member affirmatively disclaims any rights to such Vendor Fees, acknowledging all such fees are the property of the Cooperative. Similarly, in no event shall a Cooperative Member be responsible for payment of Vendor Fees.
6. **Distribution.** From time to time, and at the sole discretion of the Cooperative Board of Trustees, the Cooperative may issue a distribution to Cooperative Members under a plan developed by the Cooperative Board of Trustees. Cooperative Member acknowledges that a distribution is never guaranteed and will depend on the overall financial condition of the Cooperative at the time of the distribution and the purchases made by the Cooperative Member.
7. **Administration.** The Cooperative may enter into contracts with others, including non-profit associations, for the administration, operation and sponsorship of the purchasing program provided by this Agreement. The Cooperative will provide reports, at least annually, to the Cooperative Member electronically or by mail. Cooperative Member will report purchase orders generated under this Agreement to the Cooperative or its designee, in accordance with instructions of the Cooperative.
8. **BuyBoard®.** Cooperative Member will have a non-exclusive license to use the BuyBoard electronic purchasing application during the term of this Agreement. Cooperative Member acknowledges and agrees that the BuyBoard electronic application and trade name are owned by the Texas Association of School Boards, Inc. and that neither the Cooperative nor the Cooperative Member has any proprietary rights in the BuyBoard electronic application or trade name. Cooperative Member will not attempt to resell, rent, or otherwise distribute any part of the BuyBoard to any other party; nor will it attempt to modify the BuyBoard programs on the server or acquire the programming code. Cooperative Member may not attempt to modify, adapt, translate, distribute, reverse engineer, decompile, or disassemble any component of the application. Cooperative Member will use the BuyBoard in accordance with instructions from the Cooperative (or its designee) and will discontinue use upon termination of participation in the Cooperative. Cooperative Member will maintain equipment, software and conduct testing to operate the BuyBoard system at its own expense.

III. GENERAL PROVISIONS

1. **Amendment by Notice.** The Board may amend this Agreement, provided that prior written notice is sent to the Cooperative Member at least 60 days prior to the effective date of any change described in such amendment and provided that the Cooperative Member does not terminate its participation in the Cooperative before the expiration of said 60 days.
2. **Authorization to Participate and Compliance with Local Policies.** Each Cooperative Member represents and warrants that its governing body has duly authorized its participation in the Cooperative and that the Cooperative Member will comply with all state and local laws and policies pertaining to purchasing of goods and services through its membership in the Cooperative.
3. **Bylaws.** The Cooperative Member agrees to abide by the Bylaws of the Cooperative, as they may be amended, and any and all written policies and procedures established by the Cooperative.
4. **Cooperation and Access.** The Cooperative Member agrees that it will cooperate in compliance with any reasonable requests for information and/or records made by the Cooperative. The Cooperative reserves the right to audit the relevant records of any Cooperative Member. Any breach of this provision shall be considered material and shall make the Agreement subject to termination on ten (10) days written notice to the Cooperative Member.
5. **Coordinator.** The Cooperative Member agrees to appoint a program coordinator who shall have express authority to represent and bind the Cooperative Member, and the Cooperative will not be required to contact any other individual regarding program matters. Any notice to or any agreements with the coordinator shall be binding upon the Cooperative Member. The Cooperative Member reserves the right to change the coordinator as needed by giving written notice to the Cooperative. Such notice is not effective until actually received by the Cooperative.
6. **Current Revenue.** The Cooperative Member hereby warrants that all payments, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Cooperative Member.
7. **Defense and Prosecution of Claims.** The Cooperative Member authorizes the Cooperative to regulate the commencement, defense, intervention, or participation in a judicial, administrative, or other governmental proceeding or in an arbitration, mediation, or any other form of alternative dispute resolution, or other appearances of the Cooperative in any litigation, claim or dispute which arises from the services provided by the Cooperative on behalf of its members, collectively or individually. Neither this provision nor any other provision in this Agreement will create a legal duty for the Cooperative to provide a defense or prosecute a claim; rather, the Cooperative may exercise this right in its sole discretion and to the extent permitted or authorized by law. The Cooperative Member shall reasonably cooperate and supply any information necessary or helpful in such prosecution or defense. Subject to specific revocation, the Cooperative Member hereby designates the Cooperative to act as a class representative on its behalf in matters arising out of this Agreement.

8. **Governance.** The Board of Trustees (Board) will govern the Cooperative in accordance with the Bylaws.
9. **Jurisdiction/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and, to the extent permitted by law, venue for all disputes arising under this Agreement shall lie in Travis County, Texas.
10. **Legal Authority.** The Cooperative Member represents and warrants to the Cooperative the following:
 - a) It meets the definition of “Local Government” or “State Agency” under the Interlocal Cooperation Act (“Act”), Chapter 791 of the Texas Government Code.
 - b) The functions and services to be performed under the Agreement will be limited to “Administrative Functions” as defined in the Act, which includes purchasing.
 - c) It possesses the legal authority to enter into this Agreement and can allow this Agreement to automatically renew without subsequent action of its governing body.
 - d) Purchases made under this Agreement will satisfy all procedural procurement requirements that the Cooperative Member must meet under all applicable local policy, regulation, or state law.
 - e) All requirements—local or state—for a third party to approve, record or authorize the Agreement have been met.
11. **Disclaimer.** THE COOPERATIVE, ITS ENDORSERS (TEXAS ASSOCIATION OF SCHOOL BOARDS, INC., TEXAS ASSOCIATION OF COUNTIES, AND TEXAS MUNICIPAL LEAGUE) AND SERVICING CONTRACTOR (TEXAS ASSOCIATION OF SCHOOL BOARDS, INC.) DO NOT WARRANT THAT THE OPERATION OR USE OF COOPERATIVE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

THE COOPERATIVE, ITS ENDORSERS AND SERVICING CONTRACTORS, HEREBY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. **Limitation of Liability.** Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties agree that:
 - (a) Neither party waives any immunity from liability afforded under law;
 - (b) In regard to any lawsuit or formal adjudication arising out of or relating to this Agreement, neither party shall be liable to the other under any circumstance for special, incidental, consequential, or exemplary damages;
 - (c) The maximum amount of damages recoverable will be limited to the amount of fees which the Cooperative received as a direct result of the Cooperative Member’s membership fee and purchase activity, within 24 months of when the lawsuit or action was filed; and
 - (d) In the event of a lawsuit or formal adjudication the prevailing party will be entitled to recover reasonable attorney’s fees pursuant to Section 271.159 of the Texas Local Government Code.

Without waiver of the disclaimer or other limitation of liability in this Agreement, the parties further agree to limit the liability of the Cooperative’s servicing contractor, endorsers and sponsors (including,

but not limited to, the Texas Association of School Boards, Inc., Texas Association of Counties, Texas Municipal League, and educational service centers) up to the maximum amount each received from or through the Cooperative, as a direct result of the undersigned Cooperative Member's membership fee and purchase activity, within 24 months of the filing of any lawsuit or action.

13. **Limitation of Rights.** Except as otherwise expressly provided in this Agreement, nothing in this Agreement, is intended to confer upon any person, other than the parties hereto, any benefits, rights, or remedies under or by reason of this Agreement.
14. **Merger/Entirety.** This Agreement, together with the Cooperative's Bylaws and Organizational Interlocal Agreement, represents the complete understanding of the Cooperative and Cooperative Member. To the extent there exists any conflict between the terms of this Agreement and that of prior agreements, the terms of this Agreement shall control and take precedence over all prior participation agreements.
15. **Notice.** Any written notice to the Cooperative shall be made by first class mail, postage prepaid, and delivered to the BuyBoard Administrator, Texas Association of School Boards, Inc., P.O. Box 400, Austin, Texas 78767-0400. Notices to Cooperative Member may be made by first class mail, postage prepaid, and delivered to the Cooperative Member's Coordinator or chief executive officer (e.g., superintendent, city manager, county judge or mayor).
16. **Severability.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.
17. **Signatures/Counterparts.** The failure of a party to provide an original, manually executed signature to the other party will not affect the validity, enforceability or binding effect of this Agreement because either party may rely upon a facsimile signature as if it were an original. Furthermore, this Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.
13. **Warranty.** By the execution and delivery of this Agreement, the undersigned individuals warrant that they have been duly authorized by all requisite administrative action required to enter into and perform the terms of this Agreement.

IN WITNESS WHEREOF, the parties, acting through their duly authorized representatives, accept this Agreement.

TO BE COMPLETED BY THE COOPERATIVE:

The LOCAL GOVERNMENT PURCHASING COOPERATIVE,
as acting on behalf of all other Cooperative Members

By: _____
James B. Crow, Secretary

Date: _____

TO BE COMPLETED BY COOPERATIVE MEMBER:

[Signature required unless accepted as an Amendment by Notice as described in the Agreement.]

City of Windcrest
(Name of Local Government)

By: _____ Date: _____
Signature of authorized representative of Cooperative Member

Mayor
Printed name and title of authorized representative

Coordinator for the
Cooperative Member is:

Sarah Mangham
Name
Municipal Finance Officer
Title
8601 Midcrown
Mailing Address
Windcrest
City
Texas, 78239
(zip)
210-655-0022
Telephone
210-590-0733
Fax
smangham@windcrest-tx.gov
Email



www.tasb.org

[Home](#) > [Services](#) > [BuyBoard](#) > [FAQ](#)

BuyBoard FAQ

What is The Local Government Purchasing Cooperative?

The Local Government Purchasing Cooperative is an administrative agency created in accordance with Section 791.001 of the Texas Government Code. Its purpose is to obtain the benefits and efficiencies that can accrue to members of a cooperative, to comply with state bidding requirements, and to identify qualified vendors of commodities, goods, and services. The Cooperative also relieves the burdens of governmental purchasing by effectively using current technology and realizing economies of scale.

How is the Cooperative administered and governed?

The Texas Association of School Boards (TASB) administers and handles the day-to-day activities of the Cooperative. The Cooperative is endorsed by the Texas Municipal League (TML), the Texas Association of Counties (TAC), and the Texas Association of School Administrators (TASA). The Cooperative is governed by an eleven-member board of trustees. Six trustees are elected officials or employees of school districts, three are elected officials or employees of municipalities, and two are elected officials or employees of counties.

Who can participate and what does it cost?

Membership is free and open to all local governments, nonprofits, and other political subdivisions of the state of Texas. Texas school districts must be a member of TASB to participate. Revenue to operate the system and the Cooperative comes primarily from a service fee payable by participating vendors.

The only exceptions to this are for vehicles. The Co-op charges a flat amount per purchase order, regardless of the number of vehicles on the purchase order, as a service fee for the purchase of vehicles. This service fee is payable by the member entity, but is collected by the vehicle dealer as part of the overall vehicle price. The flat amount per purchase order is as follows: vehicles and trucks - \$400, ambulances and school buses - \$800, fire apparatus - \$1,500.

Some of the revenue paid by vendors is shared with the Cooperative's marketing partners and co-sponsors. Excess revenue over and above expenses is rebated back to the governmental membership only.

How does the Cooperative work and how do I order products?

The Cooperative analyzes and makes award recommendations for products and services that have been submitted for competitive procurement as outlined by state statute.

All awarded items or catalogs will be posted on a secure Web site, called the BuyBoard, so that Cooperative members can search for and select items and order. The BuyBoard is only available to members.

Each user has a security role, defined by the entity, that allows them to shop, create and edit a purchase requisition, approve requisitions, or create and transmit a purchase order to the vendor. Individuals can be assigned multiple roles or a single role, such as a shopper only. Only those individuals with the authority to release a purchase order to a vendor will have the ability to do so.

The other option is to simply fax or e-mail your purchase order to the BuyBoard for input.

Purchase orders are electronically transmitted to the vendor based on the profile selected by the vendor. All purchase order and requisition history is tracked by the BuyBoard and accessible at any time.

How does the request for quote (RFQ) option work?

An automated request for quote (RFQ) function allows members who buy in volume to create a request for a selected item and select the vendors from whom they want to solicit a price quote. When the RFQ closes and vendors have responded, the system automatically tabulates the results. A simple click of the Award button puts the items into the user's shopping basket for the creation of a requisition and purchase order. For any large-volume purchases, the RFQ process allows for additional price concessions from awarded Co-op vendors without members going through the formal competitive bid process themselves.

How does my entity join the Cooperative?

For governmental entities, membership is as easy as completing and returning the interlocal agreement and having your governing board adopt the board resolution included with the interlocal. Non-Profit Agencies complete the Non-Profit Subscriber Agreement. Your entity can join the Cooperative at any time.

How many individuals from our entity can have access to the Cooperative's BuyBoard?

As many as you choose to authorize. There is no limit for the number each entity can authorize. Remember, most employees are considered shoppers, only allowing them to fill their shopping baskets. All employees can be issued passwords to search and shop for products without any compromise to the purchasing process.

What type of technical support is available?

A toll-free customer support number is available from TASB. Technical support representatives can answer questions regarding the operation of the system.

Do we commit our entity to ordering only from the BuyBoard by joining the Cooperative?

A variety of products is available at discounts from manufacturers' prices. Members can elect to do all their purchasing from these discounted catalogs or only purchase selected items.

The Cooperative's intent is to extend the options available to local governments and other political subdivisions. After becoming a member, you choose how to participate, product category by product category, item by item.

How do products become available on the Cooperative's BuyBoard?

All catalogs or items available for purchase on the BuyBoard have been competitively procured according to Texas statutes. The competitive procurement may have originated with The Local Government Purchasing Cooperative or may have originated with another regional cooperative or entity (school, city, or county). Because all items on the BuyBoard have been competitively procured, Cooperative members don't have to be concerned with bidding themselves.

What happens if we have a problem with a supplier?

If the Cooperative member cannot resolve the problem directly with the vendor, the Cooperative staff is available to intervene.

What about my current vendors?

We encourage their participation. In fact, by participating, your vendors will have greater business opportunities with a wider variety of local governments. We also would encourage your vendors to register  with the Cooperative.

How do we know we will save money by buying through the Cooperative?

The overall objective of the Cooperative is to provide a mechanism for all local governments in Texas to pool their collective purchasing power. Cooperatives save money. A survey conducted by the National Institute of Governmental Purchasing* reveals that 86 percent of cooperative members save at least 10 percent on their cooperative purchases. Of course, there are no guaranteed savings, but cooperative buying power is a time-tested method of savings.

*Source: "Government Procurement," February 1997, page 23.