City of Bel Aire

DATE: December 28, 2021
TO: Ty Lasher, City Manger
FROM: Ted Henry, Assistant City Manager/ Finance Director
SUBJECT: Outsourced IT & Managed Service Report

The City has historically contracted with an outside service provider for information technology (IT) services. In addition to systems support, this has consisted of a technician on site with additional work as needed or for special projects and major upgrades. The City has used the same IT service provider for the past 5 years. It is sound management practice to put out a Request for Proposals (RFP) to see what the market would offer in comparison to the current vendor.

Summary of IT Services:
- Network and Server Administration and
- System Security
- Desktop Applications Support
- Initial Assessment
- Strategic Planning
- Help Desk Support and End User Training
- Inventory and Disposal

In October 2021, the City published an RFP and received four (4) responses. Municipal governments are unique in their IT needs, and this varies from the standard administrative functions to the 24/7/365 police department and public water and sewer utilities. For this reason, RFP responses were evaluated by a committee of senior level employees who handle the day-to-day IT related issues for their departments. The selection committee understands firsthand, when an employee's computer screen goes black or a software program fails, the calls to supervisors start. Without quality service and communication from our IT provider, small problems add up and eventually take away serious staff time.

The committee evaluated each submittal based on the following criteria:
- Industry expertise and experience
- Demonstrated customer service quality and support
- Previous relevant experience
- Vendor strength and stability
- Reporting capabilities
- Financial considerations

The selection committee determined that Gilmore Solutions (Gilmore) was the best qualified firm based on their industry expertise and experience. Gilmore is one of the most experienced government IT companies in the area with more than 20 public sector clients including: the City of Valley Center, Newton, Goddard, and Hesston. These types of communities are very similar to Bel Aire and have similar IT infrastructures, IT needs and IT goals.

Each RFP respondent had similar IT expertise credentials, but most respondents utilized large call centers or employed a very low number of staff. The selection committee found Gilmore is a local mid-sized company that employs 21 technical team members with 12 of those members being senior engineers.

Additionally, Chief Atteberry requested that all IT technicians who work on PD computers and equipment can pass a KBI background check. Gilmore and TK Fast Inc. are the only respondent who indicated they met that requirement.

After expertise and experience, the selection committee reviewed each proposal and called on references to determine who would deliver the best customer service. Not surprising, most references provided by the companies gave high scores in this area. However, the selection committee decided to call on other employees inside the organization to provide their insights. The selection committee found Gilmore Solutions to have proven customer service quality throughout the organization.

Bel Aire's RFP asked each respondent to answer the following question "What differentiates your organization from your competitors in the marketplace and how will this be relevant to us?"

The selection committee received answers ranging from mission statements to sales pitches but Gilmore's response to the question impressed us and was as follows:

"   Our 3 Differentiators:
                1. Trusted Communication
                2. Enterprise Level Security
                3. Proven Strategic Process

        Our company was built on the firm belief of customer service – it is our foundation and something we keep a focus on at every level of our company. From response times to our high level of communication, our attention to the details sets us apart and provides communication you can trust. A lot of frustrations with IT companies has very little to do with technology – your staff will enjoy being in the loop, can trust and working with IT people they enjoy being around. We understand that this is a people business and how important each relationship is. It isn't Gilmore and the client; we are all in this together working towards the same goals.
        That level of service combined with our proactive approach to security and dedication to a company's strategy to help them reach their goals, makes our packaged offering different from our competitors. We do not believe there is an IT managed service provider in Kansas that has put the time and resources into driving client strategy and making sure those strategy meetings take place. From a security standpoint, we strive to make sure that you understand what you have in place, where your gaps are, and the level of risk involved with those gaps to allow you to make an informed decision about how to priorities and plan for future improvements. Based on those conversations, roadmaps and budgets are built out, so you know where you're going, and we connect the dots for how each initiative helps you reach your goals and prepares the city for the future." (Page 10 of Gilmore's RFP Response)

Our 2022 Budget includes $75,000 ($6,250 per month) for the City's IT Service contract. Each proposal is under the allocated budget amount. Below, you will find a cost summary of the four (4) applicants:

Company	Monthly Fee	Yearly Total	One-Time Fee
Gilmore Solutions	$4,750	$57,000	$13,500
Digital Office Systems (DOS)	$4,451	$53,412	$5,000
Galaxie Business Equipment Inc.	$4,058	$48,696	$0
TkFast Inc.	$3,995	$47,940	$0
*Amounts only include the standard data backup services			

The agreement, should Council approve it, includes a "onboarding fee" of $13,500. After questioning why this fee was necessary the selection committee learned how Gilmore Solutions onboarding process works. A Gilmore technician will take the time to meet with each employee individually. They will install helpdesk tools, train employees how to use them and (most importantly) evaluate each piece of equipment that employee manages.

Bel Aire has operated on the "put a band aid on it" philosophy for years. As we grow, we need to turn to a more professional philosophy of strategic planning. Assessment of what we have, is the first step in the process.

Other Financial Considerations:

Hourly rate for support from 8:00AM to 5:00PM

Company	Monthly Fee
Gilmore Solutions	$0 (unlimited)
Digital Office Systems (DOS)	$0 (unlimited)
Galaxie Business Equipment Inc.	1 visit per week (8 hours) free, $95/hr after
TkFast Inc.	$0 (unlimited)

Hourly rate for project work or labor not covered by the agreement.

Company	Monthly Fee
Gilmore Solutions	$135
Digital Office Systems (DOS)	$100
Galaxie Business Equipment Inc.	$95
TkFast Inc.	$140

NOTE: All agreement may be terminated with a 30-day notice by either party.

Recommendation:

The Selection Committee recommends that the City Council accept the bid from Gilmore Solutions.