

To: Information Technology Advisory Committee

From: Melissa R. Marsh, City Manager
Corey Haines, Deputy City Manager
Linda Kunath, Finance Director

Date: March 14, 2023

RE: Information Technology Contract

Background

In 2015, the City contracted IT services through a competitive bid and the assistance of Plante Moran Technology Consulting. BPI was chosen as the most responsible and lowest bidder at that time. In 2020, staff worked with ITAC to rebid this service to ensure we received the best service for the best price. Several ongoing service issues were identified and addressed with BPI through this process. As a result, on November 13, 2020, ITAC voted (3-2) to recommend City Council extend the IT contract with BPI for one year.

At the December 1, 2021, ITAC meeting, BPI staff gave an update and their plan for the upcoming year. Based on this feedback, the situations, and responses from BPI related to ongoing issues, ITAC recommended BPI contract be extended for 18 months to consider the City's fiscal year and budget. This 18-month period expired this June 30, 2023.

Issue

During our internal contractor review process, issues have been expressed by all Departments as to the responsiveness of BPI and services being provided. The staff has attempted to address these issues with BPI with mixed results. These issues specifically are:

- Lack of communication and timeliness; i.e. helpdesk tickets typically require a follow-up phone call for action and quotes, bids, budget deadlines are often missed without notice of delay.
- Company depth seems to be missing; i.e. upgrade to Windows 365 created numerous email coordination issues, naming setup was different than current, calendars were inoperable for many weeks, and limited user guides were provided.
- Company has allowed all regular employees to be off on the same day leaving the city with an IT person that was not able to perform essential job functions.
- Department Heads not receiving communication regarding serious IT issues in their respective departments.
- Department Heads having to call the Deputy City Manager to get responses to on-going IT issues from BPI.
- Problems with computers not being addressed in a timely manner for upper management so that their work is minimally interrupted.
- Although we haven't been billed, we have been told on multiple occasions that IT items are "outside the scope" of the contract and should be billed.

- When our main IT staff person is out of the office, the other employees struggle to fix and stay on top of issues.

Based on the response, staff approached Enertron, the second lowest bidder from the 2020 bidding process, for a meeting and updated service quote. This updated quote monthly price varies with the agreement's length; however, three years would be \$22,700 per month or \$272,400. We also contacted Auburn Hills, which is serviced by Enertron, and received mixed reviews with reports of similar service as BPI provides Madison Heights.

We have also received a proposal for a one-year service extension from BPI for \$22,500 monthly or \$270,000.

Recommendation

The staff is looking for a recommendation from the resident professional on the future service contract.