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**DEPARTMENT OF
ADMINISTRATIVE SERVICES**

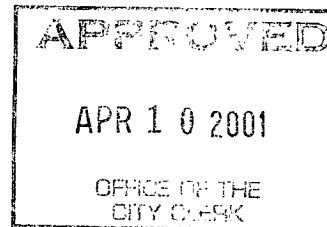
SALLY W. NAGY
CHIEF INFORMATION OFFICER

**CITY OF SACRAMENTO
CALIFORNIA**

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SACRAMENTO, CA
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March 29, 2001



City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: INCREASE NETWORK SUPPORT AGREEMENT WITH MATRIX NETWORK SOLUTIONS, LLC BY AN AMOUNT NOT-TO-EXCEED \$85,000.

LOCATION AND COUNCIL DISTRICT: Citywide

RECOMMENDATION:

This report recommends that the City Council adopt the attached supplemental agreement which authorizes the City Manager to increase City Manager Agreement No. 99-158 with Matrix Network Solutions, LLC for provision of network support services by an amount not-to-exceed \$85,000.

CONTACT PERSON: Thanh Vo, Network Services Manager, 264-7988

FOR COUNCIL MEETING OF: April 10, 2001

SUMMARY:

This report recommends that the City Council authorize the City Manager to increase City Manager Agreement No. 99-158 with Matrix Network Solutions, LLC by an amount not-to-exceed \$85,000 for citywide network-related services, bringing the total compensation for this vendor to \$800,000.

BACKGROUND:

- On September 21, 1999, the City Council approved City Agreement No. 99-158 in the amount of \$175,000 with Matrix Network Solutions, LLC for network-related services that had previously been performed by Cohesive Network Systems. This was in response to the purchase of Cohesive by Exodus Communications, Inc. Exodus Communications, Inc. was unable to retain some former Cohesive employees who were key members of the City's network project team. They are now employed by Matrix Network Solutions, LLC.
- On March 9, 2000 an increase was authorized by the City Council in an amount not-to-exceed \$100,000 for networking support.
- On June 6, 2000 an increase was authorized by the City Council in an amount not-to-exceed \$200,000 for networking support.
- On September 19, 2000 an increase was authorized by the City Council in an amount not-to-exceed \$240,000 for networking support.

This recommendation provides for continued technical support for network projects such as: network infrastructure upgrades, wide and local area network support, GroupWise E-mail and calendaring support, basic trouble-shooting support to other City technical staff and implementation of the City's remote access solution.

The City is not currently staffed to provide these services internally. The department has been recruiting unsuccessfully for several months for technical staff to provide routine network support. Once these positions are filled, our reliance on outside support for routine duties will be reduced. But, due to a tight labor market for skilled technical staff, we have been unable to fill these openings. In the meantime, we are dependent on outside support to ensure the reliability and stability of the City's network.

FINANCIAL CONSIDERATIONS:

The funding for this augmentation has been set aside as technology reserve under the accounting distribution: 101-750-7113-4462.

ENVIRONMENTAL CONSIDERATIONS:

Ongoing administrative and maintenance activities, such as purchases of supplies, equipment or material which are not made for purposes of a public works construction project, do not constitute a "project" and are exempt from the California Environmental quality Act (CEQA). CEQA Guidelines, Section 15061(b)(1), 153778(b)(3).

City Council Report
Re: Matrix Network Solutions, LLC
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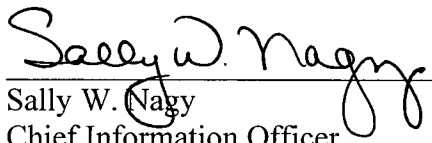
POLICY CONSIDERATIONS:

The requested action is consistent with existing policy concerning consultant services and Chapter 3.64 of Sacramento City Code.

ESBD CONSIDERATIONS:

Matrix Network Solutions, LLC is a City-certified ESBD.

Respectfully submitted,



Sally W. Nagy
Chief Information Officer

RECOMMENDATION APPROVED:

Robert P. Thomas
City Manager

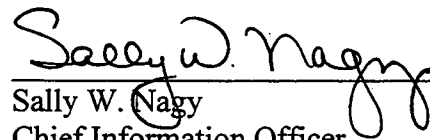
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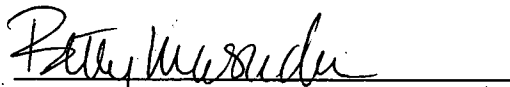
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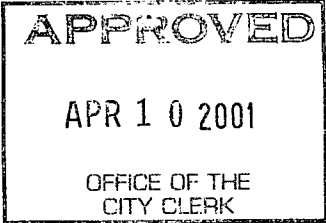


Sally W. Nagy
Chief Information Officer

RECOMMENDATION APPROVED:



Robert P. Thomas
City Manager



RESOLUTION NO. 2001-196

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION TO AMEND CITY MANAGER AGREEMENT 99-158 WITH MATRIX NETWORK SOLUTIONS, LLC FOR CONTINUING NETWORK RELATED SERVICES.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

The City Manager and City Clerk are hereby authorized to amend City Manager Agreement 99-158 with Matrix Network Solutions, LLC, in an amount not to exceed \$85,000, for continuing network related services for the Information Technology Division of the Administrative Services Department, bringing vendor's total compensation to \$800,000.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____