

CITY OF ANN ARBOR AND CITY OF CHELSEA
OPERATIONAL AGREEMENT
FOR
INFORMATION TECHNOLOGY SERVICES

THIS AGREEMENT, is made and entered into this ___ day of February, 2013, by and between the City of Ann Arbor, a Michigan municipal corporation, with principal address at 301 E. Huron, Ann Arbor, Michigan 48104, ("ANN ARBOR"), and the City of Chelsea, a Michigan municipal corporation, with principal address at 305 South Main Street, Suite 100, Chelsea, Michigan 48118, ("CHELSEA"):

WHEREAS, Since 2011 ANN ARBOR has provided CHELSEA information technology services through an annual operational service agreement;

WHEREAS, ANN ARBOR and CHELSEA have determined that it is in the best interest of both communities to continue to provide information technology services through a shared resources and staffing agreement; and

WHEREAS, ANN ARBOR and CHELSEA need to specify how ANN ARBOR will provide CHELSEA with certain information technology services and how CHELSEA will provide ANN ARBOR with certain resources in support of these information technology services;

ANN ARBOR and CHELSEA agree as follows:

I. Term

The term of this Agreement shall be one year commencing on February 7, 2013 ("Effective Date") and shall remain in effect until February 6, 2014, unless terminated by either party under this Agreement.

CHELSEA may request on or before thirty days from the last day of the contract term, and at ANN ARBOR'S option, this contract may be renewed for one additional one-year period on the same terms and conditions.

II. Scope of Services

- A. The purpose of this Agreement is to provide information technology services to the employees and customers of CHELSEA, to enable timely, cost effective, high quality delivery of City services.
- B. ANN ARBOR shall provide competent personnel to perform, subject to the terms of this Agreement, during the Term, information technology requirements for municipal operations for CHELSEA. ("Base Services") as defined by the parties to be attached to this Agreement as Exhibit A.

- C. Personnel provided by ANN ARBOR to CHELSEA to provide the above-referenced services, shall include a City IT Support Specialist (“Specialist”) who will supervise and manage the information technology requirements of CHELSEA. Services provided CHELSEA shall be under the direct supervision of ANN ARBOR IT Director (hereafter “IT Director”). CHELSEA and ANN ARBOR shall jointly set work priorities for the Specialist.
- D. Additional personnel may, from time to time, be authorized by the IT Director, to provide the agreed-upon services, when in the IT Director’s determination additional staffing is required to provide the services under this Agreement. Changes in personnel assigned to manage CHELSEA’s information technology requirements during the term of the Agreement are within the discretion of the IT Director.
- E. During the term of the Agreement, CHELSEA shall remain responsible for any new or additional software, or the repair or replacement of hardware, that CHELSEA may require for the receipt of or ANN ARBOR may require to perform the Base Services, including any and all required third-party licenses, leases, support, service, maintenance and other agreements (collectively “Ancillary Agreements”); provided, however, that ANN ARBOR shall be responsible for procuring and maintaining all Ancillary Agreements for ANN ARBOR software and hardware.

III. Duties of Specialist

- A. The Specialist shall be responsible for the daily information technology requirements for municipal operations for CHELSEA as defined in Exhibit A or as otherwise agreed upon by the parties.
- B. The Specialist shall perform all services under this Agreement, under the supervision of the ANN ARBOR IT Director, and in accordance with all applicable rules, policies, and procedures of the municipalities, including but not limited to back-up and restoration of data.

IV. General Operational Conditions

- A. ANN ARBOR shall keep time and expense records tracking time administering CHELSEA information technology systems, as well as time, if any, working on joint ANN ARBOR and CHELSEA funded projects, and time assisting CHELSEA employees from other departments or service units and any expenses incurred in connection with the Services. Time and expense records must comply with timekeeping procedures of both ANN ARBOR and CHELSEA. Time records shall include travel hours (if any).

- B. ANN ARBOR, its officers and employees and CHELSEA, its officers and employees shall not disclose confidential information of the other to any third party.
- C. If either Party is given access to any equipment, computer, software, network, electronic files, or electronic data storage system owned or controlled by the other Party, the Party provided access shall limit such access and use solely to provide or receive, as applicable, information technology services under this Agreement and shall not access or attempt to access any equipment, computer, software, network, electronic files, or electronic data storage system, other than those specifically required to provide or receive, as applicable, the information technology services. Each Party shall limit such access to those individuals with a requirement to have such access in connection with this Agreement, shall advise the other Party in writing of the name of each such person who will be granted such access, and shall strictly follow all security rules and procedures of the other Party for use of that Party's electronic resources. All user identification numbers and passwords disclosed to a Party by the other Party or similar confidential or privileged information obtained or shared as a result of access to and use of any equipment, computers, software, networks, electronic files, and electronic data storage systems owned or controlled by the disclosing Party, shall be deemed to be, and shall be treated as, subject to non-disclosure to the extent allowable under law. Each Party agrees to cooperate with the other Party in the investigation of any apparent unauthorized access by the first party to any equipment, computer, software, network, electronic file, or electronic data storage systems owned or controlled by the other Party, or any apparent unauthorized release of confidential information.
- D. On matters that could involve an actual or perceived conflict of interest between ANN ARBOR and CHELSEA, Specialist (or other assigned employee) shall disclose all pertinent facts relating to the potential conflict to the IT Director who will advise ANN ARBOR Finance and Administrative Services Area Administrator, and CHELSEA City Administrator or CHELSEA City Administrator's designee, who will advise the IT Director regarding resolution of the conflict.
- E. The general hours of operation for the Specialist or other assigned employees shall be designated by the IT Director, subject to the prior written permission of ANN ARBOR Human Resources Services.
- F. ANN ARBOR and CHELSEA will meet formally each month and informally as needed in order to review service levels, address new requirements, review outstanding issues and new issues and other items as needed. Meetings will be scheduled based on availability of assigned staff.

V. Office Facilities

- A. CHELSEA shall provide office space, business equipment and supplies for assigned ANN ARBOR employees in CHELSEA facilities at 305 South Main Street, Suite 100, Chelsea, or other mutually agreeable location provided by CHELSEA.
- B. In order to carry out the information technology functions of CHELSEA, all assigned ANN ARBOR employees shall have access to necessary equipment, systems and services provided through CHELSEA.
- C. CHELSEA policies that are or may be applicable to assigned ANN ARBOR employees working in CHELSEA facilities, including, but not limited to, CHELSEA Internet & E-mail Policy, and are subject to review by the IT Director and ANN ARBOR City Attorney.

VI. Written Policies

ANN ARBOR will provide CHELSEA with written copies of applicable policies and procedures regarding services under this Agreement. CHELSEA will provide ANN ARBOR with written copies of applicable policies and procedures. Such policies will comply with all federal, state and local governmental laws and regulations.

ANN ARBOR and CHELSEA employees will continue to follow their respective policies regarding the reporting of accidents and incidents involving employees.

VII. Ownership of Documents and Publication

All documents related to ANN ARBOR business developed as a result of this agreement are the property of ANN ARBOR and all documents related to CHELSEA business developed as a result of this Agreement are the property of CHELSEA. Documents will be available to the public in conformance with the Michigan Freedom of information Act.

VIII. Employee Compensation/Taxes/Reimbursement

- A. ANN ARBOR employees will at all times remain exclusive employees of ANN ARBOR, and CHELSEA employees will at all times remain exclusive employees of CHELSEA.
- B. CHELSEA accepts exclusive liability for compensation and benefits for services performed by CHELSEA employees under this Agreement. CHELSEA accepts exclusive liability for all applicable payroll taxes, including social security, federal, state and any income tax withholding, federal and

state unemployment taxes, and any penalties and interest on such payroll taxes resulting from amounts paid to any persons employed by CHELSEA in performing services under this Agreement. Such persons will in no event be the employees of ANN ARBOR. CHELSEA agrees to indemnify ANN ARBOR from any and all taxes under Section 4980B of the Internal Revenue Code and any penalties and interest thereon, resulting from failure of CHELSEA to satisfy the continuation coverage requirements provided in Section 4980B of the Internal Revenue Code with respect to CHELSEA's group health plans, if any, applicable to persons employed by CHELSEA in performing services under this agreement. CHELSEA must pay all income, single business, sales, use, property, and any other taxes, assessments and fees arising out of CHELSEA's performance of services under this Agreement, and must indemnify ANN ARBOR for all such taxes, assessments and fees and any penalties and interest on such taxes, assessments and fees levied against ANN ARBOR or which ANN ARBOR may be required to pay.

- C. ANN ARBOR accepts exclusive liability for compensation and benefits for services performed by ANN ARBOR employees under this Agreement. ANN ARBOR accepts exclusive liability for all applicable payroll taxes, including social security, federal, state and ANN ARBOR income tax withholding, federal and state unemployment taxes, and any penalties and interest on such payroll taxes resulting from amounts paid to any persons employed by ANN ARBOR in performing services under this Agreement. Such persons will in no event be the employees of CHELSEA. ANN ARBOR agrees to indemnify CHELSEA from any and all taxes under Section 4980B of the Internal Revenue Code and any penalties and interest thereon, resulting from failure of ANN ARBOR to satisfy the continuation coverage requirements provided in Section 4980B of the Internal Revenue Code with respect to ANN ARBOR's group health plans, if any, applicable to persons employed by ANN ARBOR in performing services under this agreement. ANN ARBOR must pay all income, single business, sales, use, property, and any other taxes, assessments and fees arising out of ANN ARBOR's performance of services under this Agreement, and must indemnify CHELSEA for all such taxes, assessments and fees and any penalties and interest on such taxes, assessments and fees levied against CHELSEA or which CHELSEA may be required to pay.
- D. CHELSEA will compensate CHELSEA employees and ANN ARBOR will compensate ANN ARBOR employees. Each party will, for their respective employees, maintain all required human resources and compensation records, compute employees' compensation and withhold and pay all required employment taxes, pay all required worker's compensation, unemployment compensation, overtime and fringe benefits required by law or pursuant to each parties' respective policy. Each party will also perform such other duties and obligations for their respective employees as required to

comply with any and all applicable federal, state and local statutes, ordinances, rules and regulations, including without limitation the maintenance of appropriate worker's compensation insurance, compliance with OSHA/MIOSHA requirements, and compliance with the Americans With Disabilities Act and the Michigan Persons with Disabilities Civil Rights Act.

IX. Compensation for Services

- A. CHELSEA will reimburse ANN ARBOR up to \$55,614.00 for all services provided to CHELSEA under this Agreement. ANN ARBOR shall be paid for actual staffing costs for services provided to CHELSEA, including the proportionate amount of salary and benefits for each ANN ARBOR employee based on the percentage of time each employee spends providing services to ANN ARBOR.
- B. Payments shall be made quarterly following receipt of an invoice submitted by the other party. Payment shall be made within 30 days of receipt of invoice.

X. Equal Employment Opportunity

ANN ARBOR and CHELSEA shall provide the services set forth in this Agreement without discrimination in accordance federal and state law, and all applicable local ordinances and regulations.

Each party agrees to post notices containing their policy against discrimination in conspicuous places available to applicants for employment and employees. All solicitations or advertisements for employees will state that all qualified applicants will receive consideration for employment without discrimination.

XI. Indemnity; Limitations of Liability

ANN ARBOR will hold harmless CHELSEA, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including ANN ARBOR's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of CHELSEA in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of ANN ARBOR, any sub-contractor, or any employee, agent or representative of ANN ARBOR or any sub-contractor but only to the extent that such claims are not or would not be barred by governmental immunity if made against ANN ARBOR. This provision does not and shall not be construed to waive or limit ANN ARBOR's governmental immunity. This

provisions is not and shall not be construed as a contractual agreement for ANN ARBOR to indemnify CHELSEA and does not authorize CHELSEA to seek reimbursement from ANN ARBOR either for any claims CHELSEA pays by settlement or otherwise or for any of CHELSEA's costs associated with such claims. This provision does not and shall not be construed to impose liability on ANN ARBOR either for the acts and omissions of CHELSEA, its officers or employees, or for the acts and omissions of third parties. .

CHELSEA will hold harmless ANN ARBOR, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including CHELSEA's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of ANN ARBOR in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or nonperformance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of CHELSEA, any subcontractor, or any employee, agent or representative of CHELSEA or any subcontractor but only to the extent that such claims are not or would not be barred by governmental immunity if made against CHELSEA. This provision does not and shall not be construed to waive or limit CHELSEA's governmental immunity. This provisions is not and shall not be construed as a contractual agreement for CHELSEA to indemnify ANN ARBOR and does not authorize ANN ARBOR to seek reimbursement from CHELSEA either for any claims ANN ARBOR pays by settlement or otherwise or for any of ANN ARBOR's costs associated with such claims. This provision does not and shall not be construed to impose liability on CHELSEA either for the acts and omissions of ANN ARBOR, its officers or employees, or for the acts and omissions of third parties. .

In no event shall ANN ARBOR in provision of Base Services be liable to CHELSEA for any indirect, incidental, special, punitive or consequential damages arising out of or relating to this Agreement. Base Services under this Agreement are provided by ANN ARBOR "as is" and ANN ARBOR specifically disclaims any warranty for a particular purpose.

XII. Insurance

The parties acknowledge that each party is insured or self-insured. Each party agrees to maintain insurance or self-insurance reserves or excess insurance policies at its own expense during the term of this Agreement and any future partnership agreements into which the parties enter with one another, in the type and amounts below:

- A. Workers' Compensation Insurance with Michigan statutory limits and Employers Liability Insurance with a minimum limit of \$100,000 each accident for any employee.
- B. Comprehensive/Commercial General Liability Insurance with a combined

single limit of \$1,000,000 each occurrence for bodily injury and property damage. Each party shall name the other party as "additional insured" on the general liability policy with respect to the services provided under this Agreement.

- C. Automobile Liability Insurance covering all owned, hired and non-owned vehicles with Personal Protection Insurance and Property Protection Insurance to comply with the provisions of the Michigan No Fault Insurance Law, including residual liability insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.

Insurance companies, named insureds and policy forms shall be subject to the approval of ANN ARBOR City Attorney and CHELSEA City Administrator. Such approval shall not be unreasonably withheld. Insurance policies shall not contain endorsements or policy conditions which reduce coverage provided to either ANN ARBOR or CHELSEA. Each party shall be responsible to the other party for insurance companies insuring each party for all costs resulting from both financially unsound insurance companies selected by either party and their inadequate insurance coverage. Each party shall furnish the other party with a letter of self-insurance and/or satisfactory certificates of insurance or a certified copy of the policy, if requested by ANN ARBOR City Attorney or CHELSEA City Administrator.

XIII. Termination, Actions Upon Termination or Expiration

Either party may terminate this Agreement with or without cause by giving ninety (90) days written notice to the other party of its intent to terminate. In the event of this Agreement's termination, any money owed by one party to the other prior to the date of termination pursuant to Article III must still be paid.

Upon notice of expiration of this Agreement or its termination by either party for any reason, ANN ARBOR, shall to the extent practicable, meet to prepare and agree upon a transition plan for services which shall include, at a minimum, providing for parallel services until transition of the Base Services to a new provider and reasonable technical support regarding transition and such other services as shall be reasonably necessary to facilitate, without interruption of Base Services. CHELSEA shall be responsible for procuring and maintaining, at its own expense, all third-party licenses, leases, support, service, maintenance and other agreements required transitioning Base Services to its new provider of services.

XIV. General Provisions

- A. This Agreement may not be altered or amended except by written agreement, signed by ANN ARBOR Administrator or designee and

CHELSEA Administrator or designee. All amendments to this Agreement are subject to the approval of ANN ARBOR Administrator and CHELSEA Administrator.

- B. The provisions of this Agreement shall be binding upon the parties hereto and their respective successors and assigns.
- C. This Agreement may be executed in several counterparts, each of which shall be deemed original. Such counterparts shall together constitute but one and the same Agreement.
- D. The headings of the paragraphs of this Agreement are inserted solely for the convenience of reference. They shall in no way define, limit, extend or aid in the construction of the scope, extent or intent of this Agreement.
- E. The recitals at the beginning of this Agreement are incorporated into the Agreement by reference.
- F. In the event that any provision contained in this Agreement is held unenforceable by a court of competent jurisdiction, the remaining provisions shall continue. In the event that a portion of any provision is held unenforceable, the remaining portion of such provision shall nevertheless be carried into effect.
- G. The Agreement shall be construed in accordance with the laws of the State of Michigan. The parties agree that Washtenaw CHELSEA, Michigan is the proper forum for any litigation arising out of this Agreement.
- H. The failure of a party to enforce at any time the provisions of this Agreement shall not be construed as a waiver of any provision or of the right of such party thereafter to enforce each and every provision of this Agreement.
- I. Neither party shall transfer or assign the Agreement without the written consent of the other party.
- J. Any notice, request, demand, or other communication required or permitted thereunder shall be deemed properly given when received. All notices and submissions required under this agreement shall be by personal delivery, overnight delivery service, or by first-class mail, postage prepaid, to the address set forth above or such other address or method of delivery as either party may designate by prior written notice to the other.
- K. Neither Party will be liable for delays or failure to perform services under this Agreement if due to any cause or conditions beyond its reasonable

control, including delays, or failures due to acts of God, natural disasters, acts of civil or military authority, fire, flood, earthquake, strikes, wars, or utility disruptions (shortage of power).

- L. This Agreement represents the entire agreement between the parties and supersedes all prior representations, negotiations or agreements whether written or oral between the parties.

**CITY OF CHELSEA,
A Michigan Municipal Corporation**

By: [Signature] 1-29-13
Jason Lindauer (Date)
Mayor

By: [Signature] 1-23-13
Terri Royal (Date)
Clerk/Treasurer

Approved as to Substance:

By: [Signature] 1-23-13
John P. Hanifan (Date)
City Manager

**CITY OF ANN ARBOR,
A Michigan Municipal Corporation**

By: _____
John Hieftje (Date)
Mayor

By: _____
Jacqueline Beaudry (Date)
City Clerk

Approved as to Substance:

By: _____
Steven D. Powers (Date)
City Administrator

By: _____
Tom Crawford (Date)
CFO/Finance and Administrative Services
Area Administrator

Approved as to Form:

By: _____
Stephen K. Postema (Date)
City Attorney

Exhibit A – City of Chelsea Base I.T. Services

The City of Ann Arbor will be responsible for supporting the following City of Chelsea Information Technology Services and Business Applications. Support for these services and applications apply to all locations where they are installed or utilized unless expressly excluded by this contract.

Services	Applications
I.T. Project Management Desktop Management Server Management Network Management Security & Disaster Recovery Management	BS&A .NET Software <ul style="list-style-type: none"> • Utility Billing • Accounts Payable/Cash Receipting/General Ledger/Misc. Receivables/Fixed Assets • Tax/Assessing (w/ APEX) Google Apps Email & Calendering Michigan Qualified Voter File (QVF) Microsoft Office OpenOffice.org ITRON MV-RS (Utility Meter Reading) City Website (www.city-chelsea.org) Mitchell 1 TeamWorks SE (Repair Garage Management) Autocad Autodesk Anti-virus Leightronix WinLGX LogMeIn Remote Workstation Access OnSSI Occularis Video Surveillance (PD) S2 Pronto Building Access Control (PD) L3 In-Car Video System (PD)

I.T. Project Management

Oversight

- Identify and determine the feasibility of new technologies that might increase efficiencies, cost savings, and collaboration opportunities for Chelsea
- Draft information technology policies and procedures to support Chelsea's need for a sound information technology infrastructure
- Communicate with Chelsea Administration on short and long-term IT plans and projects
- Monitor the status of all information technology contracts, including computer lease and anti-virus software

Software Licensing

- Document and monitor the status of all information technology product licenses
- Microsoft, Anti-virus, Citrix, OnSSI, Virtualization

Representation

- Act as Chelsea's representative for regional technology efforts (such as eWashtenaw or Wireless Washtenaw)

Special Projects

- Management of special projects listed below:

Special Projects
Website Refresh <ul style="list-style-type: none">▪ Refresh the look and feel of the current city website to an updated design running on more modern software
City Office Fiber Network Connection <ul style="list-style-type: none">▪ Connect the City Offices to the shared Ann Arbor/Washtenaw County/Chelsea PD fiber Internet connection for increased productivity and collaboration opportunities.
Worker Mobility <ul style="list-style-type: none">▪ Workers need ability to access City data and certain applications while in the field<ul style="list-style-type: none">◦ Citrix/VPN & mobile networking considerations
PC Replacement <ul style="list-style-type: none">▪ Current Dell laptop/desktop lease expires in July, 2013, facilitate replacement plan for these computers
Document Imaging & Storage <ul style="list-style-type: none">▪ Subscription to the shared Ann Arbor/Washtenaw County OnBase enterprise content management system for scanned document storage and retrieval (including possible integration with BS&A software)

Desktop Management

Maintenance/Help Desk

- Provide first level of response for computer related issues.
- Plan, implement and coordinate any software or hardware installations
- Coordinate the activities of consultants performing on-site and off-site services
- Maintain documentation regarding Chelsea's core business applications, IT systems, computer software and hardware assets
- Assist with determining repair/replacement scheduling, planning, and purchasing of hardware and software
- Software support and troubleshooting

Printing

- Canon multifunction copiers (3) at City Office and WWTP (*On-site support provided by Canon*)
- All-in-One type printers at other Chelsea departments
- City Office front desk receipt printer / plotter machines (2) in Engineering department

Email

- Account creation/removal
- Email retention storage

Website

- Assist users in posting information, make basic tweaks upon request

Phones

- Basic changes to Toshiba Strata CTX Phone System (update names & extensions, change time, etc)

Public Access Cable Channel 18

- Management of content and technology associated with Chelsea's local cable TV station (Ch. 18)

Hardware Support

- Currently, 30 leased or owned Windows laptops & desktops
- Currently, 3 city-owned iPads for council member use

Misc. Equipment Support

- SCADA Systems (*Warranty-only, primary support provided by SCADA vendor*)
 - WTP (1 SCADA Computer) & WWTP (3 SCADA Computers)
- Cash registers/drawers

Training

- End user training as needed for new or existing technologies

Server Management

- Physical server management
- Virtualization management
- Windows Application/Domain/Print/File/etc servers
- Linux Webserver
- Storage Management
- Regular on-site and off-site data backup
- Windows (server & client) patch management

Data Center (IT Room)

- 20kVA APC UPS
- 2 Ton A/C Unit
- Sapphire Fire Suppression System

Network Management

- Switching/Routing/IP management
- Firewall/VPN/Security configuration
- WAN connections
 - Current: AT&T DSL
 - Future: A2 WAN Services
- Fiber connectivity management
- Wireless connectivity (*City Council Chambers*)
- Verizon EV-DO cards for laptops

Security & Disaster Recovery management

- Network security (*Including networks housing internal SCADA systems*)
- Server and Host security
- IP-based Surveillance Cameras & OnSSI system (PD)
- S2 Pronto door access control system (PD)
- IT Disaster Recovery Plan development, testing, updates

PD Systems Support (Separate)

- 14 workstations (8 County-supported / 6 unsupported)
 - CLEMIS, Email, File Storage
- Two 911 Systems (Unsupported other than Vendor [AT&T])

EXHIBIT B – Services Cost Breakdown

<u>Cost Category</u>	<u>Per PC Charge</u>	<u>PC Count</u>	<u>Total</u>
Project Costs:			
Network Support Charge	\$250	46	\$11,500.00
Network Access Pass-through	\$200		
Network Maintenance (Time)	\$50		
Server Support Charge	\$300	46	\$13,800.00
Data Center Management	\$50		
Physical Server Management	\$50		
Server Software Management	\$200		
Desktop Support Charge	\$659	46	\$30,314.00
Desktop/Laptop Support Charge	\$400		
Project Management Support	\$259		
Total Costs:	\$1209.00		\$55,614.00

EXHIBIT C – BASELINE SYSTEM AVAILABILITY SERVICE LEVELS STANDARDS

The City of Ann Arbor will be responsible for supporting the City of Chelsea Information Technology Services and Business Applications specified in Exhibit A at the Service Levels established by the City ITSU system-wide for all users, internal and external of City IT Resources. A copy of Baseline Service Levels in effect on the Effective Date of the contract is attached to and made a part of this Exhibit C.



City of Ann Arbor

*Information Technology Service Unit
Baseline Service Levels*

Approval Record

Document Number:	1.1	Version #:	1.1
Author:	PAUL FULTON	Signature:	
Approved:	DAN RAINEY	Signature:	

Amendment Record

Version #	Description	Section #	Release Date
1.1	Initial release of document to IT staff	All	01-04-2013

Table of Contents

1. Infrastructure Configuration Availability.....	19
2. Measurement.....	20
3. Help Desk Priorities and Response Times.....	21
4. Help Desk Service Levels by Priority Level	22
5. Help Desk Hours of Operation.....	22
6. Problem Escalation Procedures.....	23

Infrastructure Configuration Availability

The following table represents the Baseline System Availability Service Levels for the four categories of supported infrastructure environments as of January 1, 2006.

Category	Applications	Availability Target	Exceptions
Base Platforms	Power Server Platforms Storage Platforms Network Infrastructure Printer Platforms Voice Platforms	24 X 7 99.99%	Customer approved scheduled downtime for maintenance. Preventative maintenance
Base Platform Services	Operating Systems Systems Software Storage Systems Printer Systems Network Systems Voice Systems Security Infrastructure	24 X 7 99.95%	Customer approved scheduled downtime for maintenance. Preventative maintenance
Enterprise Services	Internet Intranet Email Security Services Remote Access Services Network File Services Transaction Processors Database Systems Messaging Services Information Services Terminal Server Desktops	24 X 7 99.95%	Customer approved scheduled downtime for maintenance. Preventative maintenance
Business Operations Services	BS & A	Client Requirements 99.95% Mon – Fri 8:00 AM – 5:00 PM	Customer approved scheduled downtime for maintenance. Scheduled Business Processes (month end)

Measurement

- A. Issues will be tracked in the Weekly Report provided to the City of Chelsea.
- B. The standard formula for determining availability percentage per month will be:
$$\frac{\text{Monthly Target Hours} - \text{Monthly Exception Hours}}{\text{Monthly Target Hours}}$$
- C. Reporting will be performed weekly and include target SLA goals.

Help Desk Priorities and Response Times

All work to be performed, whether problem resolution or change requests, will be reported to the Help Desk and entered into a tracking system. The tracking system will be the sole source of information to provide reports on actual Service Levels achieved. The following definitions apply to IT Service Delivery only.

Problem - software or hardware malfunction for all platforms (server, desktop, network or voice) that is reported to the Help Desk. Priority level will be set jointly between the Help Desk Analyst and the customer based on business impact.

Priority Level 1: High business impact problem; production application, mainframe, server or network is not available during business hours. Widespread clients affected with an immediate business need on a critical application.

Priority Level 2: Medium business impact problem; multiple clients affected on a non-critical application, or a single client affected with a critical need.

Priority Level 3: Low business impact problem; single client affected with a non-critical need.

Response Time - is measured and defined as the elapsed time from when the Help Desk or other IT Technician receives and logs a service request in the tracking system, to the point in time a Help Desk Analyst or other IT Technician calls the end-user to begin working on a ticket. In addition, this is specifically measured as the difference between the created date/time and the date/time associated with the first note in the ticket log beyond assignment.

Resolution Time - is measured and defined as the elapsed time from when the Help Desk or other IT Technician receives and logs a service request in the tracking system until the service is properly configured, installed, or a problem has been resolved and the technology in question is fully operational.

Help Desk Service Levels by Priority Level

			Business Hours		After Business Hours	
			8 AM -5 PM Monday-Friday		5 PM -8 AM Monday-Friday & 10 AM – 4 PM Weekends and Holidays	
Work Category	Priority Level	Definition	Response	Resolution/ Escalation	Response	Resolution/ Escalation
Problem	1	High Business Impact		4 Business Hours		6 Business Hours
	2	Medium Business Impact		1 Business Day		1 Business Day
	3	Low Business Impact		5 Business Days		5 Business Days

Help Desk Hours of Operation

Help Desk hours of operation are Monday through Friday 08:00 AM – 05:00 PM.

IT After Hours Support

After Hours support is offered from 05:00 PM to 08:00 AM Monday through Friday and 05:00 PM Friday to 08:00 AM Monday. This support is offered via an option in the IT phone tree. It also carries with it a 2 hour response.

Problem Escalation Procedures

A procedure is in place that allows The City's Service Units to escalate a problem when service level standards have not been met. It is expected that customers will have already reported the problem to the Help Desk prior to escalation. The problem escalation procedure is as follows:

1st Level Escalation - Client will re-contact the Help Desk using the original ticket number assigned to the problem. The Help Desk Analyst will review the ticket history with the client while on the phone and update the ticket with the client's inquiry. If necessary, the Help Desk Analyst will contact the assigned technician for further information. The Help Desk Analyst will notify the Service Delivery Manager of the client inquiry. The Service Delivery Manager will intervene to assist in the problem resolution and report back status to the client. The Service Delivery Manager will coordinate services between the Help Desk and other areas of Service Delivery as needed to resolve outstanding client issues, including acquiring the assistance of the Infrastructure Manager or the Application Delivery Manager as needed. The Service Delivery Manager will receive a daily and weekly report of all tickets that are outside of service level standards.

2nd Level Escalation – Information Technology Director; The client will contact the Information Technology Director if the client has not received satisfactory response from the Service Delivery Manager. Security breaches are automatically escalated to Level 2.

3rd Level Escalation – City of Ann Arbor CFO; if client has not received satisfactory response from the Information Technology Director.