City Council – Action Request Form

Date:	May 14, 2024
To:	Mayor, Mayor Pro Tempore, and Members of the City Council
From:	Ben Rowe, Assistant City Manager Thomas Kureczka, Chief Information Officer

Council Action Requested:
Resolution Approving a Contract with NWN Corporation for Network Managed Support Services

Strategic Focus Area: Service Excellence
Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness
Strategic Plan Action Item: No
Key Work Item: No

Summary of Information:

Core components of the City's information technology infrastructure include networking equipment for data, voice, video, and data center systems that support the operation of major enterprise applications. It is critical to City services that this equipment operate at near-100% availability. This is accomplished through a combination of proactive maintenance, 24 x 7 monitoring, and quick response guarantees for replacement of faulty equipment. City staff work together with external service providers through contractual relationships to achieve the required level of services.

The existing contract for network maintenance, remote system monitoring, and contractual assistance expired February 28, 2024. The City has continued these services with the existing provider on a month-to-month basis until a new contract is in place. In order to continue with the benefits of volume purchasing and to control future costs, a Request for Proposal (RFP) was issued for a single vendor to provide these services under a single agreement. The RFP asked for a one-year contract with the option for the City to renew the agreement annually for four additional years. Two vendors responded to the RFP, but neither has offices in Winston-Salem. The RFP was sent directly to vendors in Winton-Salem as listed in Exhibit A, and none responded to the RFP.

Committee Action:

Committee	FC 5-14-2024	**Action**	
For	Unanimous Approval	**Against**	
Remarks:			

Hardware and software maintenance currently covers 460 active units of network equipment that provide uninterrupted operation of data, voice, and video communications. Equipment vendors require that each piece of equipment have an active maintenance agreement in order to receive a guaranteed response time with on-site service.

Only critical equipment that impacts a large number of users have 24 x 7 on-site response, while the majority of equipment has next business day on-site support. Without an active maintenance agreement in place, faulty equipment would have to be returned to the manufacturer to be repaired or replaced, which can take several days or weeks. During this time, City services would be unavailable or operating at reduced capacity.

Remote monitoring services provide 24 x 7 monitoring of the City's network. Software resides on the equipment and communicates over the internet with the vendor's Network Operations Center (NOC). The NOC sends alarms when equipment is at risk of failure or performance has dropped below specified thresholds. The NOC fixes the problem if possible, and if the equipment is under a maintenance agreement, they initiate repair services from the original equipment manufacturer. City staff are also notified and become involved in the triage process. City staff respond to notifications as needed during work days, nights, weekends, and holidays. Use of a NOC for around-the-clock monitoring reduces and eliminates service interruptions.

A broad range of technical skills are needed to support the City's network. Skills are generally categorized as Level I, II, or III, where Level I and II skills are equivalent to the City's Senior I.S. Administrator job classification. Level III skills are not staffed by the City because of the difficulty for one person to keep their skills updated on a wide range of equipment and the challenge to retain someone with these skills. A person with Level III skills is expected to have certifications by the equipment manufacturer, attend vendor training courses on product releases, have in-depth experience troubleshooting complex problems, and have direct channels to the vendor's engineers. The City has one full-time Senior I.S. Administrator position that specializes in Level I and II network management. A more cost-efficient method is to utilize contracted services for Level III skills. The RFP requested hourly rates for 250 hours of Level III skills to be used as needed.

Tremendous efficiency is realized by utilizing a single vendor to provide the hardware and software maintenance agreement, NOC, and Level III services. Coordination occurs across all areas with just one vendor. By bundling the services together and using a competitive RFP, vendors offer substantially reduced rates as compared to purchasing services separately.

The following table shows the proposed costs for the RFP response received from NWN Corporation (NWN). NWN is the current provider of these services and is the recommended vendor due to their proposed pricing, existing relationship, and industry experience. NWN has a corporate office in Greensboro, NC.

Proposed Costs for Network Managed Support Services

Services	1st Year Costs	2nd Year Costs	3rd Year Costs	4th Year Costs	5th Year Costs	5 Year Total
Monitor and Manage Network Components (NOC)	$174,454.30	$174,454.30	$174,454.30	$174,454.30	$174,454.30	$872,271.50
Hardware and Software Maintenance Contract	$236,599.17	$236,599.17	$236,599.17	$236,599.17	$236,599.17	$1,182,995.85
Network Professional Services Contract (Level III Engineer)	$37,500.00	$37,500.00	$37,500.00	$37,500.00	$37,500.00	$187,500.00
Yearly Total	$448,553.47	$448,553.47	$448,553.47	$448,553.47	$448,553.47	$2,242,767.35

NWN has agreed to provide all of the services over the five-year period with no annual cost increase, with the exception of any cost increases that would occur if the City adds network equipment during the agreement term.

The annual costs of the current contract are $307,711.36 for the hardware and software maintenance, $174,214.80 for the NOC monitoring services, and $37,500.00 for Level III professional services, for a total existing annual contract of $519,426.16. The proposed contract, with an annual cost of $448,553.47, will result in a yearly reduction of $70,872.69. Driving the cost savings is the consolidation and replacement of aging equipment, leading to less devices to monitor and less expensive support agreements for the newer equipment.

It is recommended that the City enter into a contract with NWN to provide infrastructure support services from July 1, 2024 through June 30, 2025 at a cost of $448,553.47. The contract would include the option to renew for up to four additional years at a cost of $448,553.47 each year. It is further requested that authorization be provided to enter into an annual contract for the remaining four years, subject to approved funding through the annual budget process. Authority would include expanding the agreement to include new network equipment and associated maintenance cost adjustments as funded through the annual budget process.

This project was advertised on the City, State, and HUB websites, and 51 businesses were notified directly of this opportunity. Notifications were also sent to all local M/WBE and regional HUB businesses.

See Exhibit A for a complete list of businesses that were notified of the bidding opportunity and the low bidder's Workplace Demographics form. See Exhibit B for complete proposal scoring.

Businesses notified of the bid opportunity

Business Name	City/State	M/WBE
22nd Century Technologies, Inc.	McLean, VA	
5 S Technologies	Cary, NC	
9 to 5 Computer Supply, Inc.	Jacksonville Beach, FL	
Aggie Technologies	Durham, NC	
Annapurna Solutions, LLC	Houston, TX	
Asponte Technology, Inc	Lakewood Ranch, FL	
Bman Nation LLC	Raleigh, NC	
BuzzClan, LLC (WBE)	Dallas, TX	W
Cisco	Greensboro, NC	
Continuant, Inc.	Tacoma, WA	
Cysero, LLC	New York, NY	
Data Network Solutions	Chapin, SC	
Dewberry	Raleigh, NC	
e.Republic	Folsom, CA	
Encore Technology Group, LLC	Raleigh, NC	
Golden Five, LLC	Simi Valley, CA	
HITS Tech	Raleigh, NC	
Integrity Consulting, LLC	**Winston-Salem**	
Intelligent Visibility	Raleigh, NC	
Iron Bow Technologies	Herndon, VA	
JB Waller and Associates	Greensboro, NC	
LaBella Associates	Greensboro, NC	
LAVSUN Technologies, Inc.	Richardson, TX	

Meriplex	Indianapolis, IN	
MGT of America Consulting, LLC	Tallahassee, FL	
Mission Technology Solutions	Cary, NC	
Moonlight Systems	Timonium, MD	
NWN Corporation	Gaithersburg, MD	
Presidio	Durham, NC	
Protech Systems	Charlotte, NC	
R&K Solutions	Roanoke, VA	
Red Hat	Raleigh, NC	
SCGI Corporation	Huntersville NC	
Segra	Wilmington, NC	
Sentinel Technologies	Downers Grove, IL	
Service Express	Morrisville, NC	
Seven Outsource	Poughkeepsie, NY	
SHI	Durham, NC	
Sightsource, LLC	**Winston-Salem**	
Sirius Computer Solutions	Raleigh, NC	
Solidspace	**Winston-Salem**	
STEP	Covington, KY	
TDARX - NOCDOC	**Winston-Salem**	
Valiant Solutions, LLC	Henderson, NC	
Verge Innovation	Charlotte, NC	
Visual Edge IT	Charlotte, NC	
Withum	Princeton, NJ	

Exhibit A

XenTegra	Huntersville, NC	
Zartek Solutions, LLC	Leesburg, VA	
Zencon Group, Inc.	New York, NY	

Project/Bid Description:
Infrastructure Support Services (MSP)

Gaithersburg, MD

Bidder's Company Name: NWN Corporation

City/State:

WORKFORCE DEMOGRAPHICS

Gender		Race/Ethnic Identification					
Male	Female	White	African-American	Hispanic	Asian	Native-American	Two or more races
333	118	346	33	27	37	1	7
% of Total 73.8%	26.2%	76.7%	7.3%	6.0%	8.2%	.2%	1.6%

The above demographic data is provided to reflect generally the company's efforts to achieve diversity in the workplace in compliance with the applicable equal employment opportunity laws; however, this information is not dispositive of such and may not be used as the basis for awarding or rejecting a bid contract.

MWBE Commitment	
Percent goal met or good faith effort made?	**Points**
Certified M/WBE Compliance- Primary Vendor (1) Submitted their M/WBE certificate in their proposal; OR (2) Will award required portion of the project to a named M/WBE certified subcontractor; OR (3) Has certified they made a good faith effort to comply but were unable to locate a qualified M/WBE subcontractor.	5
Not Qualified Vendors proposal indicated that they do not qualify for the M/WBE certification nor do they comply with the M/WBE subcontract participation requirement.	0

NWN Corporation			
	Weight	**Grade**	**Total Score**
MWBE Commitment	20.00	0.00	0.00
Functionality and Capability	35.00	4.00	140.00
Relevant Qualifications	20.00	4.50	90.00
Relevant Experience	15.00	5.00	75.00
Cost Effectiveness/Value	10.00	5.00	50.00
Final Score		**Max 500**	**355.00**

Sentinel			
	Weight	**Grade**	**Total Score**
MWBE Commitment	20.00	0.00	0.00
Functionality and Capability	35.00	3.75	131.25
Relevant Qualifications	20.00	3.00	60.00
Relevant Experience	15.00	4.00	60.00
Cost Effectiveness/Value	10.00	4.00	40.00
Final Score		**Max 500**	**291.25**

Functionality and Capability	
Response	**Points**
Clearly demonstrates superior understand of service need & demonstrates that vendor will far exceed expectations on delivery of service requirements	5
Demonstrates strong understand of service need & demonstrates that vendor will exceed expectations on delivery of service requirements	4
Demonstrates good understand of service need & demonstrates that vendor will meet expectations on delivery of service requirements	3
Demonstrates fair understand of service need & demonstrates that vendor could meet expectations on delivery of service requirements	2
Does not demonstrates understanding of service need, nor demonstrates that vendor will deliver service requirements	0

Relevant Experience	
Reponse	**Points**
Greater than 10 verified for similar projects performed	5
10 verified for similar projects performed	4
8-9 verified for similar projects performed	3
6-7 verified for similar projects performed	2
5-verified for similar projects performed	1
less than 5 verified similar projects performed	0

Relevant Qualifications	
Qualifications	**Points**
Greater than 10 Cisco Certified Staff (CCNP or Higher)	5
7-10 Cisco Certified Staff (CCNP or Higher)	3
4-6 Cisco Certified Staff (CCNP or Higher)	2
2-3 Cisco Certified Staff (CCNP or Higher)	1
Less than 2 Cisco Certified Staff (CCNP or Higher)	0

Cost Effectiveness/Value	
Response	**Points**
Least cost compared to all other proposers	5
2nd least cost	4
3rd least cost	3
4th least cost	2
5th least cost	1
6th least cost	0