

CITY OF WASHINGTON

Joan E. Baxter, C.P.A. – Controller
301 Walnut Street
Washington, IL 61571


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jbaxter@ci.washington.il.us

www.washington-illinois.org

MEMORANDUM

TO: Mayor Manier and City Council
FROM: Joanie Baxter, Controller 
DATE: November 16, 2018
SUBJECT: Network server purchase

The current network server at City Hall is five years old and is due to be replaced. The server has been on the replacement program for a few years and has been funded through Capital Replacement to \$20,600.

The hardware and software quote from PTC is in the amount of \$18,343. This solution will continue the email to be hosted rather than moving to Office 365 which requires annual renewals and thus for a company our size, results in a higher overall cost.

The professional services quote from CliftonLarsonAllen is in the amount of \$32,110 and includes all components of implementing a new server including building the host, incorporating the requirements for TimeClock Plus, transferring all network files and MSI related programs and files, transferring all email and other Exchange accounts, adding an additional 25 users for TimeClock purposes, uninstalling the current versions and decommissioning the old server. Some additional time is required because we delayed purchase for a few years as the server was still sufficient to meet our needs, however the Exchange version changed during this time and thus there will be two version upgrades required.

The professional services are such that we can phase in over two fiscal years and it is actually advisable to do so due to not decommissioning the old server until determined that all programs are working appropriately. This will allow us to move forward with the server purchase and installation so that the required specs are in place for implementation of the TimeClock Plus program. It is imperative to schedule the TimeClock Plus project such that it can be completed prior to budget time.

Staff recommendation is as follows:

Purchase of server hardware and software (PTC)		<u>18,343.00</u>
FY 2018-19 phase – professional services (CLA)		
Build virtual host	1,900.00	
TimeClock Plus server build	<u>3,990.00</u>	<u>5,890.00</u>
		<u>24,233.00</u>
FY 2019-20 phase – professional services (CLA)		
Move all files and MSI	9,215.00	
Move all email and add 25 users	14,630.00	
Uninstall Exchange	1,520.00	
Decommission old server	<u>855.00</u>	<u>26,220.00</u>

The professional services portion of the project are not to exceed amounts and will be funded from the operational budget – IT Support. In addition, the new server should have at least a 4-5 year life similar to the current one and the specs are such that it should be sufficient to meet any spec requirements for a new accounting system that may be purchased in the next few years.

This matter will be placed on the Consent Agenda of the November 19, 2018 meeting for action.



2450 N. Knoxville Avenue Peoria, IL 61604
P: 309-685-8400 F: 309-685-9522

SALES QUOTE

Sales Quote No: 22333

Date: 11/9/18

Account No: W01735

Bill To: Washington, City of
301 Walnut Street

Washington, IL 61571
USA

Ship To: Washington, City of
301 Walnut Street

Washington, IL 61571
USA

Sales Person	P.O. Number	Ship Method	Payment Terms	Quote Expires On
CLA-Illinois	Joanie	Supplier Truck	Net 30	12/9/18

Notes

Sales quote for Scenario 1 for HPe ProLiant ML350-Gen10 Tower Server, accessories, & Microsoft Open Volume w/o SA software licensing per Jake Linkowski

Item No	Description	Quantity	UM	Price	Disc	Amount
877621-001	HPe ProLiant ML350 Gen10 SFF Tower, Intel Xeon 4110 2.1GHz 8c,16GB,P408i-a,800wPS,3/3/3 warr	1.00	EA	\$2,253.00	0.00	\$2,253.00
815098-B21	HPe Memory 16GB (1x16GB) Single Rank x4 (DDR4-2666)Registered CAS-19-19-19 RDimm	3.00	EA	\$306.00	0.00	\$918.00
872477-B21	HPe 600GB 10Krpm 12G SAS SFF 2.5" Enterprise Hard Drive, Digitally Signed Fir 3yr Warranty, SmartBuy	8.00	EA	\$210.00	0.00	\$1,680.00
874577-B21	HPe ML350 Gen10 SlimLine Optical Disk Drive Bay Kit Option, need to order optical drive separately	1.00	EA	\$30.00	0.00	\$30.00
726537-B21	HP DVD-RW 9.5mm SATA JB for DL-Gen9/10 server	1.00	EA	\$96.00	0.00	\$96.00
865414-B21	HPe Hot-Plug 800w FS Platinum Redundant Power Supply for ProLiant Gen10 series servers	1.00	EA	\$279.00	0.00	\$279.00
AF556A	HP Server Power Cord 120volt AC 10A Nema 5-15P to IEC320-C13 1.83 meters	1.00	EA	\$8.00	0.00	\$8.00
874572-B21	HPe Redundant Fan Kit ProLiant ML350-Gen10	1.00	EA	\$133.00	0.00	\$133.00
E6U64ABE	HP Intergrated Lights-Out Advanced Pack, 1 Server Lic, Inc 3yr 24x7 Tech Support, E-LTU	1.00	EA	\$350.00	0.00	\$350.00
SMT1500C	APC Smart UPS 1500VA LCD,120volt, Black, 8-outlet,1000w/1440VA,SmartConn 3-yr warr/2-year on battery	1.00	EA	\$519.00	0.00	\$519.00
WBEXTWAR3YR-SP-02	APC ServicePack 3 Year Warranty Extension for new product includes Battery replacement for full term	1.00	EA	\$82.00	0.00	\$82.00
9EM-00679	Microsoft Windows Server Standard Core 2019 OLP Government License only, No SA, (2-Core)	8.00	EA	\$97.00	0.00	\$776.00
R18-05794	Microsoft Windows Server 2019 CAL - User, OLP Gov License only, No SA	100.00	EA	\$28.00	0.00	\$2,800.00
312-04417	Microsoft Windows Exchange Server 2019 Standard Edition OLP Gov. License Only, No SA for 1 server	1.00	EA	\$619.00	0.00	\$619.00
381-04516	Microsoft Windows Exchange Server 2019 Standard CAL - User OLP Gov. License only No SA	100.00	EA	\$78.00	0.00	\$7,800.00

TERMS: Full payment due upon receipt of this invoice, Balances past due 30 days are subject to 1.5% service charge per month. Use of a credit card to pay terms account will be subject to a 3% handling fee. Thank you for your business.

Invoice Subtotal:	\$18,343.00
Discount:	\$0.00
Freight:	\$0.00
NT -AU1:	\$0.00
Total Tax:	\$0.00
Invoice Total:	\$18,343.00

2450 N. Knoxville Avenue Peoria, IL 61604 309-685-8400

GST: 37-0841284



CliftonLarsonAllen LLP
301 SW Adams Street, Suite 1000
Peoria, IL 61602
309-671-4500 | fax 309-671-4508
CLAconnect.com

November 16, 2018

Ms. Joanie Baxter, Controller
City of Washington
301 Walnut St.
Washington, IL 61571

Dear Joanie:

We are pleased to confirm and outline our understanding of the terms and objectives of our engagement and the nature and limitations of the hosted server conversion project and consulting services CliftonLarsonAllen LLP (CLA, "we," "us," and "our") will provide for City of Washington, ("you," "your," or "the organization"). If this meets with your approval, this letter will serve as an agreement made by and between CLA and City of Washington.

Objective and approach

CLA will conduct the hosted server conversion project for you as described in Addendum A. CLA will perform the engagement in accordance with the Statement of Standards for Consulting Services issued by the American Institute of Certified Public Accountants. This engagement is not an assurance audit as defined by professional standards and should not be construed as such.

Any assessment of your network will provide an analysis only as of the time the service was performed. We cannot guarantee protection against future penetration of your network caused by novel strategies or devices, or due to the failure of you or your employees, agents or vendors to maintain your network or to adopt reasonable security precautions.

We will be responsible for the means and methods of providing our services, and perform the engagement in a professional and workmanlike manner. We will not perform management functions or make management decisions on behalf of City of Washington. However, we will provide advice and recommendations to assist City of Washington in performing its functions and making decisions.

Additional services

If modifications or changes are required during the course of the project, that are beyond the initial scope of services, or if you request that we perform any additional services, we will provide you with separate agreement or addendum letter for your signature. This separate agreement will advise you of the additional fee and any extra time required for such items to facilitate a clear understanding of the project status.

Client information requirements and management responsibilities

The organization agrees it is solely responsible for the accuracy, completeness, and reliability of all of the organization's data and information that it provides CLA for our engagement. You agree to provide us with all necessary information regarding your information services network and your requirements for the project in sufficient time to allow us to adhere to the project schedule. For all non-attest services we may provide to you, including these consulting services, City of Washington agrees to assume all management responsibilities, decisions and functions; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the

oversee the services; and to evaluate the adequacy of, and accept responsibility for, the results of the services. We will expect you to adopt such reasonable network security measures, as we or other security consultants may recommend, to minimize potential breaches of your network security. You are also responsible for establishing and maintaining internal controls, including the monitoring of ongoing activities.

Deliverables

CLA will maintain ongoing communication with the liaison assigned to work closely with us and will meet with your management leaders, as requested, regarding the status of our progress throughout this engagement. We will deliver a final report(s) that will summarize our findings, observations, and any recommendations that we may have. If for any reason we are unable to complete the engagement, we will not issue a report as a result of the engagement.

Timing

This agreement shall become effective as of the date signed by City of Washington and continue through completion of services as described in Addendum A. We will start performing our services on a mutually agreeable schedule to be determined upon contract acceptance.

Personnel

Our firm has adopted a team approach to client service, which means that CLA will provide your organization with a team of people who have the relevant knowledge and experience to perform the work plan outlined in Addendum A. John Moeller will lead the overall engagement. Senior information security consultants will provide primary contact and project management.

Payment for Employment of Our Personnel

In the event that you employ one of our professional employees during the performance of the project or within one year after it has been completed, in order to compensate us for lost benefits and the cost of locating and training a replacement you agree to pay us a sum equal to fifty percent of the annual salary you pay to the employee during the first year of employment.

Subcontractors

CliftonLarsonAllen may, at times, use subcontractors to perform services under this agreement and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement. CLA will be as responsible for any act done by these subcontractors as it is for its personnel under this agreement.

Scope of agreement

This agreement applies to all aspects of our relationship and to any other or additional services CLA may render to City of Washington at any time, unless they are covered by a separate written agreement that City of Washington and CLA both sign.

Invoicing, finance charges and collection expenses

Fees and reimbursements will be due and payable throughout the project, following the organization's receipt of an invoice from CLA. Compensation for services is due within thirty (30) days of the mailing of our bill.

Finance charges of one and one-quarter percent (1.25%) per month will be added to any past due amounts. CLA has the right to immediately terminate our services if payment for our fees or costs is not made to us in a timely manner. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

In the event CLA's services are terminated for whatever reason during the project, the organization will promptly compensate CLA for all professional services rendered and out-of-pocket expenditures through the date of termination.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Mediation

Any disagreement, controversy, or claim ("Dispute") that may arise out of any aspect of our services or relationship with you, including this engagement, shall be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to revolve any differences voluntarily with the aid of an impartial mediator. The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Any Dispute will be governed by the laws of the State of Minnesota, without giving effect to choice of law principles.

Limitation on remedies

Our role is strictly limited to the tasks and projects described in this letter, and we offer no assurance as to the results or ultimate outcomes of this engagement or of any decisions that you may make based upon our communications with, or our reports to, you. You will be solely responsible for making all decisions concerning the contents of our communications and reports, for the adoption of any plans, and for implementing any plans you may develop, including any that we may discuss with you. CLA has no duty to ensure that the organization's accounting, billing, coding, compliance, or reimbursement practices, systems, or reports comply with applicable laws or regulations, all of which remain the organization's sole responsibility.

You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents ("we" or "us") and that this limitation of remedies provision is governed by the laws of the state of Minnesota, without giving effect to choice of law principles.

You further agree that you will not hold us liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this agreement, the services provided under this agreement, the work product, or for any deliverables, plans, actions, or results of this engagement, except to the extent authorized by this agreement. In no event shall we be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorneys' fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by us of our duties under this agreement, but any recovery on any such claims shall not exceed the fees actually paid under this agreement by you to CLA.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute that may arise between us, including one arising out of this agreement or the services performed under this agreement, for breach of contract, tort, breach of fiduciary duty, fraud, misrepresentation, or any other cause of action or remedy, any suit or action to recover on a dispute must be commenced as provided below, or the party with a claim or prosecuting a dispute

shall be forever barred from commencing a lawsuit and from obtaining legal or equitable relief or recovery of any kind whatsoever. An action to recover on a dispute shall be commenced within the shorter of the following limitation periods:

- Within twelve (12) months from the date of our last billing for services performed under this engagement letter, or
- Within twelve (12) months after the termination of either this agreement or the organization's ongoing relationship with CLA by either of us and for any reason.

These limitation periods apply and begin to run even if the organization has not suffered any damage or loss, or has not become aware of the existence or possible existence of a dispute.

Confidentiality and restricted use of information

CLA will hold the information supplied by the organization to us in confidence and CLA will not disclose it to any other person or party, unless the organization authorizes us to do so, it is published or released by the organization, or it becomes publicly known or available other than through disclosure by us. The organization agrees any reports or deliverables CLA provides to the organization are only for the internal use of the organization's management. They may not be distributed to any other person or party, for any purpose, without our prior written consent. The organization may share the information in the deliverables with their financial audit firm and federal and state regulators. The organization further agrees to hold any information, reports, or deliverables that CLA provides to the organization in confidence and agrees that the organization will not disclose such to any other person or party, unless CLA authorizes the organization to do so, it is published or released by us, or it becomes then publicly known or available other than through disclosure by the organization.

CLA may, at times, use subcontractors to perform services under this agreement and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Other

This agreement will remain in effect until it is terminated by either party on thirty (30) days written notice, with or without cause. In the event of termination, the terms of this agreement shall survive and remain in effect.

Any notices under this agreement shall be sent to the organization at the address noted above and to us at:

Mr. John Moeller, Principal
CliftonLarsonAllen LLP
600 3rd Ave SE, Suite 300
Cedar Rapids, IA 52401

Agreement

CLA appreciates the opportunity to assist your organization and believes that this letter accurately summarizes the terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between us. If you have any questions, please contact us.

If the organization agrees with the terms of this engagement as described in this letter, please sign, date and return a copy of the complete agreement including addendum to us. By returning this letter of engagement, the organization is authorizing us to commence our services.

Professional fees and expenses

Our professional fees for these services will be based on the time involved and the degree of responsibility and skills required, plus travel time (if any, at 50% of standard rate of the staff level assigned), travel expenses, and internal and administrative charges. Professional fees for the services described in Addendum A are:

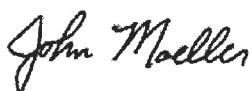
Professional services	Fee
Hosted Server Conversion	\$32,110

Mileage is figured from the nearest CliftonLarsonAllen office. Fees are a best estimate.

We look forward to a successful completion of the project.

Sincerely,

CliftonLarsonAllen LLP



John Moeller, CISSP, ECSA, CEH
Principal
319-363-2697
John.moeller@claconnect.com

Acceptance and acknowledgement

On behalf of City of Washington, I acknowledge that the terms of this agreement accurately state our understanding with CLA, and City of Washington agrees to be bound by them.

By: _____
Print Name: _____
Title: _____
Date: _____

Addendum A

City of Washington Hosted Server Conversion 2018

Project Phases	Fees
HyperV Server build (FY – 2018 – 2019)	
Build Virtual Host	\$1,900
Setup Physical server (2019), and configure for Raid 10 Build Hyper V Server and provision for OS and data Partitions. Patch Server, and verify setup of Hyper V setup.	
File Server / Time Clock Build (FY – 2018 – 2019)	
Build File Server	\$3,990
Install Server 2019 and patch (COW-File) Install SQL server for setup of the Time clock server. Setup File shares, and copy to new server. Setup Time clock software and work with Vendor for final setup.	
COW-DC to New DC (COW-DC1 (100 Users) (FY – 2019 - 2020)	
Server 2012 R2 to Server 2019 Domain controller conversion	\$9,215
Install Server 2019 and patch (COW-DC1) Transfer Operational master from COW-DC to COW-DC1 Change RID, PDC and Infrastructure Move Folder shares, and Update Individual Scripts for users. Convert and move group policies in effect. Setup new Storage Craft backups and verify transfers to external hard disk.	
COW-Exch to COW-EXCH1 (Hosted Internal) (FY – 2019 - 2020)	
COW-EXCH to Exchange Conversion (COW-EXCH1)	\$14,630
Install Server 2019 and patch (COW-EXCH1) Install exchange server 2016 and patch Move Mailboxes, Public folders, and Address books (100 Mailboxes) Setup Archival software / Move to Cloud for setup Verify Mailboxes are moved an setup within users setup; (Outlook) Install Storage Craft and verify transfer to external Hard disk	

**DC Demotions, and Exchange Removal
(FY – 2019 - 2020)**

COW-EXCH and COW-DC Demotion	\$1,520
Uninstall exchange 2013 from (COW-EXCH)	
Demote COW-EXCH from domain.	
Demote COW-COW-DC from domain.	
Verify all changes in place, and remove server from network.	

**Decommission and update network layout
(FY – 2019 - 2020)**

Decommission old servers	\$855
Remove Internal servers (COW-HOST)	
Update Visio and turn over documents	

Project Total

Estimated Total Project Fees* \$32,110

* Fees are a best estimate. Unforeseen technical or compatibility difficulties may result in higher fees for this phase of the project. All time worked will be billed for this phase.