



Agenda Date: 10/2/2007  
Agenda Placement: 6H

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Gjestvang, Jon - Acting Chief Information Officer  
Information Technology Services  
**REPORT BY:** Serena Pearson, STAFF SERVICES ANALYST I , 707-259-8666  
**SUBJECT:** Approval of Agreement with Napa Sanitation for ITS services

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### **RECOMMENDATION**

Acting Chief Information Officer requests approval of and authorization for the Chair to sign a revenue agreement with the Napa Sanitation District for a maximum of \$233,824 for the term July 1, 2007 through June 30, 2008 to provide information technology services.

### **EXECUTIVE SUMMARY**

This agreement would allow Napa County's Information Technology Services (ITS) department to provide a total information technology support package to the Napa Sanitation District. This includes network services, electronic mail services, PC support services, application development/support services, technical project management and ITS consulting services on an as needed basis in order to provide a reliable, cost effective and innovative technology infrastructure.

The fee for this service is based on ITS' cost allocation methodology that was approved by the Napa County Board of Supervisors in 2001. This comprehensive cost allocation method was prepared by an independent auditing agency, Bartig, Basler & Ray, for the calculation of ITS charges. This method, used for all departments, is based on a formula that incorporates ten ITS functional categories and the client usage associated with them.

It is anticipated that ITS and the Napa Sanitation District shall amend this agreement to provide for subsequent fiscal year compensation amounts.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes

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Where is it budgeted?	Information Technology Services. The Napa Sanitation District paid \$251,982 for ITS services in fiscal year 2006/2007. The ITS services cost for fiscal year 2007/2008 is \$18,158 lower because of lower ITS administration and overhead costs for the Napa Sanitation District.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	It is to the benefit of the County to formalize an agreement between the Napa Sanitation District and ITS.
Is the general fund affected?	No
Future fiscal impact:	The agreement is renewable for as long as services are requested by the Napa Sanitation District.
Consequences if not approved:	There would be no formal agreement between the Napa Sanitation District and the County for ITS technical services. This would stop us from providing technical services to Napa Sanitation and the County would not be receiving this revenue.
Additional Information:	

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

The County's Information Technology Services (ITS) department provides a comprehensive set of technology related services to all County departments. This includes network services, electronic mail services, PC support services, application development/support services, technical project management and ITS consulting services. Many special districts within Napa County have requested this same service from ITS. The ITS department provides these services to these districts using the same cost allocation method used for the County's departments.

In 2001, the Napa County Board of Supervisors approved a comprehensive cost allocation method prepared by an independent auditing agency, Bartig, Basler & Ray, for the calculation of ITS charges. This method, used for all departments, is based on a formula that incorporates ten ITS functional categories and the client usage associated with them.

The Napa Sanitation District has requested that Napa County's ITS department provide a total information technology support package, which the ITS department will provide at a cost of \$233,824 (based on ITS' cost allocation model) for the term July 1, 2007 through June 30, 2008. Napa Sanitation was part of the ITS budget in fiscal year 2006/2007 and paid \$251,982 for ITS services. It is more cost effective for smaller agencies to enter into an agreement with ITS for technical services than it is for agencies to contract these services from private organizations.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Karen Gratton