



Title:	Selection of Vendor and Authorization to Enter into a Contract with IT Managed Services Provider
Resolution number:	23-014
Prepared by:	Name: Alex Steele Phone: 952.641.4581 asteele@minnehahacreek.org
Reviewed by:	Name/Title: Becky Christopher – Policy Planning Manager
Recommended action:	Selection of IT managed service provider and authorization for District Administrator to execute the contract for IT managed services.
Schedule:	February 23, 2023 – Vendor selection and authorization to enter into a contract March 1, 2023 – Executed contract
Budget considerations:	Fund name and code: Information Technology – Contract Services (1-1003-4320) Fund budget: \$108,000 Expenditures to date: \$8,283.61 Requested amount of funding: As noted in proposal
Past Board Action:	Resolution 23-005 - Authorization to Release RFP for IT Managed Services

Background:

Pursuant to Minnesota Statute 103B.227 a watershed district is required to solicit proposals for professional services at least every two years. Minnehaha Creek Watershed District relies on the professional services of a managed service provider (MSP) to monitor, maintain and administer the District’s Information Technology (IT) infrastructure – critical work which ensures the stability of systems, security of data and resolution of issues.

As the District continues to advance as a data-driven organization, an MSP plays a crucial role in the District’s technology governance. Through an understanding of the District’s current systems and strategic direction – an MSP will serve as the technical expert to ensure technology investments grow and scale as the District’s IT becomes more complex.

On January 12, 2023, the Board of Managers authorized the release of a request for proposals (RFP) for IT managed services. The RFP was posted on the District’s website, and posted on the League of Minnesota Cities website.

In response, the District received four proposals from IT managed service vendors; Solution Builders, Communication Square, Marco Technologies, and Cadan Technologies. Under the Minnesota Data Practices Act, proposals are not-public data until the District has entered into an agreement with the selected vendor. Accordingly, the four proposals are being transmitted to the Board members separately, along with a table comparing prices relative to existing costs.

Analysis:

Staff analyzed the proposals evaluating service delivery, experience, total monthly costs, and potential migration/transition costs.

Service Delivery

Two vendors, Solution Builders and Marco Technologies, proposed providing the District with similar industry standard IT services. These services include: server, desktop and network monitoring, on-site support, reactive end-user support, network administration, and proactive technology management including security services. Proposals from Cadan Technologies and Communication Square were light on detail. Neither vendor clearly presented their offered services.

Communication Square is not local to the Twin Cities but has a US-based office in Florida. Communication Square's proposal indicated that all services would be provided remotely. There are occasions when a technician is needed to be on-site at MCWD's office, either to service or install equipment. Communication Square's proposal did not clearly articulate how on-site work would occur, given their remote service delivery approach.

Solution Builders is the District's incumbent IT MSP. Over the last two years, Solution Builders has successfully completed multiple projects for MCWD, including: firewall replacement, wireless network upgrade, and migrating to Microsoft365 including retiring the District's on-site Exchange server.

Over the past two years, Solution Builders has made strides to improve the security and stability of the District's IT infrastructure. One way to quantify IT stability is to measure the occurrence of technology related issues, which can be reported as the number of helpdesk tickets per endpoint per month. In simpler terms, the metric measures the number of support requests across every piece of monitored IT equipment per month. An organization with a healthy and stable IT environment has under 0.3 tickets/endpoint/month. Following Solution Builders onboarding in early 2021, the District was operating with 0.5 to 0.6 tickets/endpoint/month. That number has decreased throughout the latter part of 2021 and into 2022. Overall, MCWD averages at 0.27, and over the past quarter has seen a further decrease of tickets/endpoint/month to 0.19.

Qualifications and Experience

All proposals demonstrated some level of technical proficiency including various industry certifications. Marco Technologies, Solution Builders and Communication Square outlined experience serving public sector clients. However, only Solution Builders demonstrated experience providing full managed services for government agencies.

In addition to public sector experience, Solution Builders provides an assigned network administrator, with over 16 years of experience, as a lead technician dedicated to MCWD. A virtual CIO also serves as a dedicated liaison between the MCWD and Solution Builders technicians. Over the last two years, the dedicated team at Solution Builders has assisted the District in transitioning from being reactive to IT issues, into taking a more proactive, holistic and forward-looking IT approach.

Monthly Costs

The monthly costs proposed by each vendor are shown in the table provided separately to Board of Managers.

The 2023-2024 monthly cost proposed by Communication Square is lower than the monthly cost of the District's existing 2021-2022 IT managed services agreement with Solution Builders. All other proposals: Solution Builders, Marco Technologies and Cadan Technologies, proposed monthly costs that represent an increase from 2021-2022 monthly costs of IT managed services.

For historic context, costs proposed by Communication Square and Solution Builders for 2023-2024 IT managed services represent a decrease in monthly costs when compared to 2019-2020 costs.

Migration/Transition Costs

Three proposals included one-time transition costs for migrating services. These one-time costs cover the time needed to coordinate with our current MSP to transfer information, document District IT infrastructure, and set-up monitoring software and workflows. As our current MSP, Solution Builders' proposal does not include transition costs.

Beyond the proposals, significant staff oversight is required to successfully transition services from one MSP to another. This includes coordinating between both vendors to ensure a comprehensive knowledge transfer, vetting documentation hand-offs and identifying any gaps in the new MSP's understanding of the District's IT infrastructure. Solution Builders completed detailed and thorough documentation while transitioning services from the District's former MSP during onboarding in 2021. Although time intensive, this foundational understanding of the District's IT equipment and network has served to improve future planning, quickly resolve issues, and improve the stability of MCWD's IT.

Recommendation:

Based on each vendor's offered services, experience, and monthly and transition costs, staff recommends that the Board of Managers authorize the District Administrator, on advice of counsel, to negotiate and enter into a two-year agreement with Solution Builders Inc for IT managed services, at a not to exceed monthly cost as stated in Solution Builders' proposal.

Supporting documents:

Provided separately to the Board via email



RESOLUTION

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WHEREAS, pursuant to Minnesota Statutes 103B.227, at least every two years watershed districts are required to solicit interest proposals for professional or technical consultant services before retaining the services of a consultant or extending an annual services agreement; and

WHEREAS, professional services needed by the MCWD, and subject to 103B.227, include information technology (IT) managed services; and

WHEREAS, the Board authorized the solicitation of proposals for IT managed services on January 12, 2023; and

WHEREAS, the District solicited proposals and received responses from four IT managed service providers; and

WHEREAS, District staff reviewed the proposals based on services offered, experience and qualifications, monthly costs, and migration/transition costs; and

WHEREAS, based on this evaluation, staff recommends the selection of Solution Builders as the IT managed service provider; and

WHEREAS, the Board has reviewed the submitted proposals and concurs with the recommendation of staff;

NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers hereby authorizes the District Administrator to negotiate and execute an IT managed services contract with Solution Builders, Inc. for a period of two years.

Resolution Number 23-014 was moved by Manager _____, seconded by Manager _____. Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: 2/23/2023

Secretary Date: _____