crestline village

WATER DISTRICT

Memo

To: Board of Directors
From: Alan E. Clanin
Date: January 12, 2018
Subject: Information Technology Support and Replacement of District Computers

The District currently has an outdated Information Technology (IT) network with homeowner grade internet and virus security. With the retirement of former General Manager Karl Drew, who doubled as the "District IT Guy", it would be beneficial to the District to update existing computer and IT equipment and contract with an established Computer Service Contractor for IT support.

Background;

The District has homeowner grade internet and IT security, an aging server network with unnecessary complexity, consumer grade routers and inadequate firewall protection. The 10 workstation personal computers needing replacement are running various versions of Windows 7, with a couple of units still running Windows XP. The average age for the 10 PC'S is 6.1 years. With the implementation of Tyler Technologies Financial and Billing Software approaching, some of the older, slower units may run at a diminished capacity while others will not work at all.

District Staff received prices from California Computer Options (CCO), Inland Empire IT Services and All Covered IT Services for ongoing IT Support. The lowest quote was received from California Computer Options at $895. monthly. This price was re-negotiated to $604.78 per month for ongoing Proactive IT support, including Cloud Backup Protection, Network Maintenance, Management and Monitoring.

California Computer Options has also submitted a quote in the amount of $17,325 to replace the 10 aging PC's with new Dell Computer's running Windows 10 Professional, 1 Dell Monitor and necessary switches and firewall routers. This quote includes system configuration, setup and installation.

California Computer Options is a Redlands based IT Support and Computer Solution Company that serves Running Springs Water District, Lake Arrowhead Community Services District and many other businesses in the Inland Empire. CCO has worked with Tyler Technologies and is quite familiar with the Tyler implementation process.

Benefits:

- All PC's will be universal and modern, capable of running Tyler Technologies Incode 64-bit Program.

- Off-site information storage protection.

- Data and Online Transaction Security

- Proactive Anti-Spam and Anti-Virus protection.

- Proactive Network Maintenance, Management and Monitoring.

- Complete IT Security Policy Compliance.

- End of Life Hard Drive Destruction and Equipment Disposal

Recommendation:

1. Authorize Staff to approve IT Support Contract with California Computer Options in the amount of $604.78 monthly.

2. Authorize Staff to purchase 10 replacement Dell Personal Computers, 1 Dell 24" Monitor and associated peripheral equipment including system installation, setup and configuration from California Computer Options in the amount of $17,325.59.

We have budgeted $25,000 in the 2017-18 budget for this project.

CALIFORNIA COMPUTER OPTIONS INC.

Technology Solutions for Business

Your success is our success.

We're not just an IT provider, we're a business partner.

Crestline Village Water District

DELIVERED ON:
JANUARY 03, 2018

Overview & Goals...

Dear Alan,

We all know that people are the foundation of any great organization. You wouldn't be where you are today without committed employees and loyal customers. How can you support your staff, retain customers, increase revenue, grow market share, and remain flexible in a changing corporate landscape? Responsive, secure, and advanced IT infrastructure is the best investment you can make - now and for the future.

Keeping up with technological advancements can be overwhelming, and you can't be an expert in everything. You need reliable and trustworthy IT advice, planning, and management services you and your people can depend on. We specialize in:

- Tailored IT solutions that build on your current business and IT infrastructure

- High-level security structures that protect you and your customers

- User-focused tools and training that make implementing new systems easy

- Long-term management of IT systems and infrastructure for clients

California Computer Options, Inc. focuses on your IT so you can focus on your business growth. Our experienced consultants work with you to guide your technology strategies, helping you align them with your business and process strategies. We provide strategic, architectural, operational, and implementation planning for all your IT needs.

Sincerely,

Bruce Beck
CEO, California Computer Options, Inc.

Our care

DISCOVERY AND PLANNING

We'll look at your business strategy, processes, and portfolio to determine which proven and emerging technologies will work best to boost productivity and revenue, meet evolving customer requirements, and ensure the security of your data.

AUDIT AND ASSESSMENT OF YOUR EXISTING IT ENVIRONMENT

What is your operating efficiency? What is your capacity for growth? Are your security measures up to standard? We'll evaluate your current IT environment and make recommendations for scaling up without breaking the bank.

CUSTOMIZED IT INFRASTRUCTURE DEVELOPMENT

Now that our strategic advisors have worked with you to pinpoint and prioritize your IT needs, the next step is to identify the systems and applications that will best support your business goals and formulate a smooth plan for implementation.

IMPLEMENTATION AND ONGOING IT MANAGEMENT

Now that we've determined what IT infrastructure, upgrades, and maintenance you need to optimize productivity and business growth, you can trust us to test and roll out your customized IT solutions with minimal disruption. We can also expertly maintain and manage your system - it's a worry-free option that allows you to focus on your business, now and in the future. See what we have recommend here.

Proactive IT Program Elements Included Services

Proactive Server

- 24x7 Advanced Performance Monitoring
- Key Application Maintenance
- Microsoft and 3rd Party Patch Management
- Scheduled Preventative Maintenance

Proactive Workstation

- Microsoft and 3rd Party Patch Management
- Scheduled Preventative Maintenance
- Availability Monitoring

Proactive Backup

- Backup Deployment and Configuration
- Backup Performance Monitoring
- Backup Software Updates
- Scheduled Backup Jobs

Proactive Support

- Monthly Network Health Review
- Quarterly Onsite Network Health Review
- Additional Network, End-user and Network Support Billed at T&M Rates

Proactive Security

- Anti-Virus Monitoring and Management
- Anti-Spam Monitoring and Management
- Proactive Network
- Router/Switch Performance Monitoring
- Full Stack Email Security - Utilizing our cyber threat intelligence, our Full Stack Email Security uses a variety of tactics and algorithms to prevent and protect your customers from ransomware, viruses, CEO fraud, and more.

IT Evaluation Summary

OBSERVATIONS & CONCERNS

- No critical systems monitoring (e.g. Backups, disk arrays, connectivity, AV, security items etc.)
- No written security or backup policy.
- Bonded T1 Internet speeds are very slow.
- Server environment; unnecessary network complexity.
- No managed or offsite backups, configuration unclear.
- No Patch management/oversight.
- Consumer grade router; not adequate firewall.
- No AV protection on some PCs
- No Enterprise or centrally managed AV solution
- EOL and non-supported hardware.
- 10/100 switchgear (One tenth the speed of modern gigabit switches)

PHASE 1: IT ON-BOARDING & CLEANUP

- Complete network security review, implement password complexity requirement, change all passwords and review remote access.
  - Eliminate access for prior IT company.
- Implement CO Mail Security for increased network security. This eliminates Ransomware threats when originate from email. (see attached infosheet)
- Replace EOL 10/100 network switch with new Gigabit managed switch (PoE also for future needs)
- Decommission any unnecessary equipment and reduce network complexity.
- Server(s) configuration review
  - Check file permissions on all server file shares and the files and directories within them. Document desired permissions for each share. Complete workstation review, perform spyware sweep and remove any unnecessary software overhead.
  - Review AD, DNS, services etc.
- Replace EOL router with new firewall and content filtering security appliance, SonicWall (TZ400W).
- Deploy Managed Endpoint Protection, patch management and IT management client to all workstations and servers.
- Configure primary and secondary backup strategy to protect important data. CO uses a combination of disk-to-disk and Cloud backups.
  - Primary Backup- Internal Disk to Disk using Windows Server Backup
  - Secondary Backup- CO Cloud Backup Protection (use existing QNAP NAS as secondary backup location until upstream bandwidth is upgraded)
- Setup secure VPN remote access with RDP for all necessary users. Provide instructions to remote users.
- IT security standards & Best Practices review

- Complete/update all IT documentation into IT Glue.
- Review support protocol with staff and address any existing user issues

PHASE 2: INFRASTRUCTURE UPGRADES

- Replace (12) end-of-life client (PC) with new Dell Inspiron 3650 Mini-tower.
- Replace end-of-life 10/100 switchgear.
- Standardize all MS Office versions to latest 365 subscription.
- Upgrade Internet speed with TPx. (Michael Bremmer)

PHASE 3: COMPLETE IT SECURITY POLICY COMPLIANCE

- Issue completed IT Policy Compliance cert.

Timeframe

ACCOUNTABILITIES

California Computer Options, Inc. provides a team of expert consultants that matches Crestline Village Water District' priorities for growth and innovation, and carries out the activities described above within the agreed-upon time frame.

CRESTLINE VILLAGE WATER DISTRICT

- Assigns a Project Manager within the organization to work with California Computer Options, Inc.
- Provides access to senior management as needed
- Provides access to documents, statements, and computer systems as needed
- Works collaboratively in a series of weekly meetings to move the project forward

Monthly Costs

SUPPORT PRICING

DESCRIPTION	PRICE	QTY	SUBTOTAL
Proactive IT Program *Network Maintenance, Management & Monitoring (Remote monthly network review and monthly onsite review) *Domain name management *IT Glue: Secure IT Documentation & Knowledgebase [SaaS] *Microsoft and third-party patch management [SaaS]	$650	1	$650
☑ **Priority access to IT consulting, CO Helpdesk & onsite tech support** Additional hours billable at $139/hr.	$139 / hour	0	$0
☐ **CCO CloudMail** Hosted Exchange-style Cloud Mail Solution (per mailbox)	$10 / month	0	$0
CCO Cloud Backup Protection [IaaS] (GB) Managed Cloud Backup for offsite protection	$0.15 / month	250	$37.50
Cybersecurity Risk Intelligence Scanning [SaaS] (per device)	$8	3	$24
Subtotal			*$711.50*
New customer discount 15%			*–$106.73*
Total			*$604.78*

PHASE 1 SCOPE OF WORK

DESCRIPTION	PRICE	QTY	SUBTOTAL
☑ **Dell 24" LCD Monitor**	$199	1	$199
☑ **Dell Inspiron 3650 Minitower Business workstation** • 6th Generation - Intel Core i5-6400 CPU • 8GB DDR3 SDRAM (1600MHz) • 1TB SATA Harddrive (7200RPM) • 16x DVD-RW+- • Onboard Intel HD Graphics 2500 video • MS Windows 10 Professional 64-bit • CO Mouse pad	$749	10	$7,490
IT Project Labor System configuration, setup and installation. • Setup users & join to network • Setup security policies • Setup printers, share drive, custom applications.	$139	32	$4,448
☑ **Managed Endpoint Protection [SaaS]** Enterprise Endpoint Security, Anti-Malware & Anti-Virus Solution	$65	10	$650
Total			$12,787

PHASE 1 SCOPE OF WORK – ADDITIONAL COMPONENTS

DESCRIPTION	PRICE	QTY	SUBTOTAL
Sonicwall TZ400 Firewall Security Appliance with Total Secure - ADVANCED Edition 1yr. • Includes Advanced Threat Capture Protection	$1,399	1	$1,399
Sonicwall Sonicpoint N2 Wireless-access-point	$399	2	$798
NETGEAR 52-Port Smart Managed Pro Stackable Switch • 48GbE PoE/PoE+ • 384W PoE power budget • 6 SFP+ slots	$1,462.11	1	$1,462.11
Subtotal Phase 1, page 1 Equipment and installation	$12,787	1	$12,787
Sales Tax 7.75% (San Bernardino County)	$879.48	1	$879.48
Total			*$17,325.59*

BUSINESS RESOURCE LEASING ALTERNATIVE

60 Month Term, Leasing Option @ 5.99%   (Your Monthly Payment) $ **341.15**

The right choice, for the best service

Affordable IT Project and Equipment Financing Options

SHORT TERM FINANCING

Option #1 Financing provided by: California Computer Options, Inc.

- Pay for project in THREE month equal monthly installments.
- New customers without CCO established credit have a required deposit of 15%.
- Cost is 2.9% of total project amount.

Option #2 Financing provided by: California Computer Options, Inc.

- Pay for project in SIX month equal monthly installments.
- New customers without CCO established credit have a required deposit of 15%.
- Cost is 4.9% of total project amount.

LONG TERM LEASING

Option #3 Leasing provided by: US Bank

- Best option for A credit
- Ask us for a credit application today or you can contact them directly
    - **Sean A Loualhati**
      Vice President
      Business Banking Officer
    - **p.** 909-803-1086| **c.** 909-368-6420 | **f.** 833-280-5416
    - sean.loualhati@usbank.com

Option #4 Leasing provided by: Nationwide Business Capital

- Best option for OTHER THAN A credit
- Ask us for a credit application today or you can contact them directly
    - **Jim Bowles,** President
    - (800) 690-7040 - Office
    - (800) 496-6001 - Fax
    - (626) 375-3006 - Cell
    - bowles@nwbcapital.com

Why California Computer Options, Inc.?

CCO's extensive team of more than 25 professionals have a collective 200+ years of technology experience.

Since 1997, Computer Options has been committed to providing small and medium businesses with the very best in IT solutions. We see our clients as true business partners, and our passion for improving your technology experience is at the heart of everything we do. With total IT support and management, we provide all the benefits of an internal IT department at a fraction of the cost.

Out of our facility in Redlands, California, we work hand-in-hand with local businesses to create reliable, efficient solutions. For 20+ years now we have been a technology partner to thousands, from on-premise networks to complete IT in the Cloud. Technology shouldn't be holding you back, let our team create a network that will enhance productivity and optimize efficiency.

California Computer Options, Inc., an S Corp, is a closely held private company led by Brad McDermith. Brad has been with the company almost 20 years and has participated as CEO for the last 12 years.

CCO provides IT & Security Managed Services for non-profit, for-profit, and local government agencies between 10-1000 technology users.

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CCO takes pride in its awesome company culture and strives to offer the best and most competitive employment opportunities. Carefully managed growth and zero debt give CCO stability that is uncommon in today's volatile business world. Privately held, we offer exceptional benefits, competitive salaries, Simple IRA and profit-sharing programs, opportunities for personal and professional growth, and much more.

Our specialty is IT solutions for how you work, sell, and grow. We think this is important, because at the end of the day, IT is about people, not computers.

Our Leadership Team

BRAD MCDERMITH, CEO

At age 15, McDermith started his first venture in high school building PCs and hosting websites. In 1998 he joined a year old retail computer store startup, Computer Options, as a PC technician. In the next 20 years, McDermith helped the company become a leading IE influence in Managed IT and Security services. McDermith has served as CEO for the past 12 years and is the proud father of two children, Scarlett, 5 and Oliver, 4. Hobbies includes aviation, drones, firearms, real estate and cars. McDermith is an 11 year member of Vistage International, serves on multiple boards and is a deacon at The Well Church, Yucaipa.

JONATHAN MARSDEN, CTO

After 35+ years in technology and information security, Jonathan Marsden, is widely known in the IT industry and is considered a leading voice in Cybersecurity.

Marsden, a proud father of two children has contributed his skillset to CCO in several different capacities and now serves as CTO and shareholder. He speaks five languages, has lived all over the world and has a passion for ministry. Hobbies include HAM radio, Cybersecurity and theology.

Jonathan is a member of Vistage International and contributes as a volunteer to many organizations.

Service Agreement Terms

Date: January 03, 2018

Proposal: Crestline Village water District - New Deal

Proposal number: 071

California Computer Options, Inc. with its principal office located at 447 Missouri Court, Redlands, CA 92373 ("CO" or "Computer Options"), and Crestline Village Water District with its office located at ("CLIENT") agree to the terms and conditions set forth in this Service Agreement (the "Agreement").

1. **CO Duties, Responsibilities, and Services as detailed in the Investment Costs section. Services that are not covered under this agreement include:**
    1. Moves: Moves of equipment or entire office to new locations are billable hourly.
    2. Major Software Upgrades: OS upgrades, new management systems, database implementations, etc.
    3. Disasters: Recovering and rebuilding after floods, fires, earthquakes, lightning strikes, pipe leaks, power surges/failures, etc.
    4. Hardware Failures: that are not under a CO warranty.
    5. Legacy Hardware: Computers, servers or other network devices older than 5 years and/or running an OS/firmware more than two generations old.
    6. Project Work: This includes installation and configuration of new equipment, major systems/hardware upgrades, virtualization, major network reconfiguration, etc.
    7. Workstation management limited to patch management and Endpoint protection, individual workstation issues are not covered by this agreement but are available on an hourly basis.
2. **CLIENT's Duties and Responsibilities - CLIENT will:**
    1. Backup Media Rotation: It is imperative that backup media is rotated on a daily basis and rotated offsite weekly (not into a fire safe) that is consistent with the recommended schedule that has been provided. Not necessary when backups are stored in the Cloud.
    2. Software Licensing: Every server and workstation must have a legitimate copy of all software that is installed including the operating system as pursuant to the software license agreement. Computer Options is striving to provide software inventories for all networks as to alert companies where they are not compliant. *Ultimately, compliance is the client 's responsibility and failure by the client to comply may result in liability to Client. Client agrees that CO is not liable for any claims, losses, or expenses that arise from Client's breach of this Section 3.b..

1. Single Point of Administration: Client agrees not to allow any employees or vendors (unless authorized in writing by CO) to make changes to Client's computer network and related systems, as unauthorized changes may compromise network security and functionality. Client agrees that CO is not responsible or liable for any problems that arise from any unauthorized changes to Client's network.

2. **Client's primary contact: Alan Clanin (909) 338-1727**

3. **Secondary contact:**

3. Technical Liaison: Client agrees to designate primary and secondary liaison/contact individuals to communicate and work directly with CO. These individuals alone will have the authority to report issues, schedule work, and otherwise work with CO on behalf of Client.

   1. **Client's Primary Liaison:**

   2. **Secondary Liaison:**

4. Computer Access: Client agrees to grant CO administrative rights and access to Client's computer network for the sole purpose of managing, monitoring, and servicing computer network on a continuous basis.

3. **Payment Terms, Bill Rates, and Fee.**
   1. CLIENT will pay CO a monthly service fee equal to $1970.30 for proactive services listed in Section 1 and provided under this Agreement on a monthly basis. Payment is due on receipt of invoice.

   2. Normal tech support business hours are 8am-6pm Mon-Thurs and 8am-5pm Fri. Client will be billed separately for any services and equipment that are not included in Section 1 hereof, which lists includedproactive services. CO's standard hourly billing rates for any work not included in Section 1 and covered in section 2 of this agreement (non-proactive services) will be billed at the rate of $139 per hour for services provided during normal business hours of operation, and $195 per hour for after hour services. The standard tech response times shall not exceed four hours, subject to any force majeure conditions, as described in section 9.

5. **Indemnification, Disclaimer, Limitation of Liability and General Provisions**

6. To the extent permitted by law, CLIENT will defend, indemnify, and hold CO and its parent, subsidiaries, directors, officers, agents, representatives, and employees harmless from all claims, losses, and liabilities (including reasonable attorneys' fees and legal costs) to the extent caused by CLIENT's breach of this Agreement; its failure to discharge its duties and responsibilities set forth in Section 3 hereof; or the negligence, gross negligence, or willful misconduct of CLIENT or CLIENT's officers, employees, or authorized agents in the discharge of those duties and responsibilities.

7. Either party may terminate this Agreement at any time and for any reason, by notifying the other party in writing; provided that Sections 6, 7, 8, 9, 10, 11, and 12shall survive termination of this Agreement and continue in effect. Termination of this Agreement shall not relieve either party of any obligation accruing prior to such termination.

8. Computer Options assumes no liability for any loss of access, loss of use, loss of functionality, failure, malfunction or inadequacy due to artificially generated electrical current or unauthorized computer access, which includes but is not limited to computer viruses. Furthermore, CO shall not be liable for incidental, indirect, consequential, special, punitive, or exemplary damages of any kind arising out of or in connection with this Agreement or the services provided hereunder, regardless of whether CO was advised, had other reason to know, or in fact knew of the possibility thereof. Without limiting the foregoing, in the event CO stops performing services for Client or shuts down Client's server in connection with Client's failure to pay CO's service fees in accordance herewith, or any other breach by Client hereunder, CO shall not be liable for any expenses or losses incurred by Client as a result thereof, including, without limitation, any loss of business or business interruption losses. Notwithstanding the foregoing, CO shall use commercially reasonable efforts to notify Client at least five (5) business days prior to interrupting service or shutting down Client's server, as applicable, by providing written notice to Client's email address contained in CO's records. Notwithstanding the foregoing, CO's failure to provide such notice to Client shall not affect CO's right to terminate services or shut down Client's server in the event of Client's breach of this Agreement, and CO shall not be liable for any losses incurred by Client as a result of the same without regard to whether such notice was delivered to Client.

9. CO shall not be liable to Client for failure to perform any of the services required to be performed pursuant to this Agreement in the event of strikes, lock outs, calamities, acts of God. or other events over which CO has no reasonable control for so long as such events continue, and for a reasonable period of time thereafter.

10. CO EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICES AND IN ALL CASES WITH RESPECT THERETO.

Signature

1.   Please read the contract on the previous page to make sure you understand all the details involved with us working together. It's really important to us that everything is transparent and understood from the beginning so that we lay a solid foundation for a great working relationship.

2.   If you have any questions at all, please let us know. We're happy to clarify any points and there may be some items that we can sort out together. We're committed to finding the best way to work together.

3.   Once you feel confident about everything and are ready to move forward, please click the 'sign here' button below.

4.   Once we receive notification of your acceptance, we'll contact you shortly to sort out next steps and get the project rolling.

5.   If you'd like to speak to us by phone, don't hesitate to call 909-793-6338

Authorized representatives of the parties hereby execute this Agreement as of the last date set forth below to express the parties' agreement to its terms.

_____

Alan Clanin, Crestline Village Water District

Bruce Beck
12/28/2017
_____

Bruce Beck, California Computer Options, Inc.

crestline village

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