TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: ADMINISTRATIVE SERVICES

DATE: MAY 7, 2007 CMR: 185: 07

SUBJECT: APPROVAL OF AGREEMENT WITH ROBERT HALF INTERNATIONAL, INC. IN THE AMOUNT OF $130,000 FOR CONTRACTED IT SERVICES IN SUPPORT OF THE INFORMATION TECHNOLOGY SERVICES PROVIDER (ITSP) SERVICES

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute the attached agreement with Robert Half International, Inc., (RHI) in an amount not to exceed $130,000 for continued IT Contracting Services.

2. Authorize the City Manager or his designee to exercise the option to renew the contract for the (second and/or third year) in his discretion.

BACKGROUND
ITSP provides IT services to the following customers: Atherton, East Palo Alto, Los Altos, Los Altos Hills, Morgan Hill, Emeryville, and Saratoga. These IT services include project management, network administration, server administration, Help Desk services, and web administration and development services.

On an on-going basis and for the last 4 years, one of the ITSP resources is a part-time, hourly IT technician hired through RHI. In the event that additional resources are required, those additional part-time resources are also hired through RHI.

In fiscal year 2006-07, the ITSP group lost one of its technologists. To continue meeting the ITSP contract commitments, another part-time resource was hired for a period of 6 months. This increased contract agency personnel services and it is expected to exceed the City Manager’s contract authority of $85,000 by the end of the fiscal year. The $130,000 for fiscal year 2006-2007 covers the cost of filling this vacant technologist position with a contracted resource.

Staff anticipates needing the part-time personnel for the remainder of the fiscal year. The temporary personnel is assigned to the City of Morgan Hill, which in turn will pay the City of
Palo Alto for all expenses related to the RHI transaction. An option for a second year is requested in the event that there is a need during the next fiscal year.

**RESOURCE IMPACT**
Funding for this service agreement is funded by the revenue generated by the ITSP contracts. There is no budget adjustment needed since the additional expense is offset by savings from the vacant full-time position in the Administrative Services Department, Information Technology Division.

**POLICY IMPLICATIONS**
This recommendation does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**
These services do not constitute a project under the California Environmental Quality Act (CEQA).

PREPARED BY: ________________________________

RON FONG
IT Manager

DEPARTMENT HEAD: __________________________

LAULO PEREZ
Assistant Director, Administrative Services

CITY MANAGER APPROVAL: ____________________

EMILY HARRISON
Assistant City Manager

**ATTACHMENTS**
Attachment A: Contract Copy