

Council/Agency Meeting Held: _____	City Clerk's Signature
Deferred/Continued to: _____	
<input type="checkbox"/> Approved <input type="checkbox"/> Conditionally Approved <input type="checkbox"/> Denied	
Council Meeting Date: 3/7/2005	Department ID Number: IS 05-2005

**CITY OF HUNTINGTON BEACH
REQUEST FOR CITY COUNCIL ACTION**

SUBMITTED TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

SUBMITTED BY: *Penelope Culbreth Graft*
PENELOPE CULBRETH-GRAFT, CITY ADMINISTRATOR

PREPARED BY: BEHZAD ZAMANIAN, Acting Information Services Director *BZ*

SUBJECT: APPROVE PROFESSIONAL SERVICES AGREEMENT BETWEEN
THE CITY OF HUNTINGTON BEACH AND DYNTEK, INC. FOR
MICROSOFT PROFESSIONAL CONSULTING SERVICES

RECEIVED
 CITY CLERK
 CITY OF
 HUNTINGTON BEACH, CA
 2005 FEB 24 AM 10:15

Statement of Issue, Funding Source, Recommended Action, Alternative Action(s), Analysis, Environmental Status, Attachment(s)

Statement of Issue: Should City Council enter into an agreement for contractual technical support services as provided by DynTek, Inc.?

Funding Source: The full cost of this contract is \$46,800; however, Microsoft is funding \$30,000 of the cost of the services. The balance (\$16,800) is to be paid by the City of Huntington Beach. Funding for the Active Directory implementation project will be from salary (10042154.51000) and benefit (10042154.55000) savings in the Information Services Business Systems budget.

Recommended Action: MOTION TO Approve and authorize the Mayor and City Clerk to execute the Professional Services contract between the City of Huntington Beach and DynTek, Inc. for Microsoft Professional Consulting Services.

Alternative Action(s): Do not approve the contract.

(Continued on next page)

REQUEST FOR ACTION

MEETING DATE: 3/7/2005

DEPARTMENT ID NUMBER: IS 05-2005

Analysis: The city's computer network directory needs to be upgraded from Microsoft Windows NT 4.0 to Microsoft Windows 2003 Active Directory. Microsoft's support for our current version of the directory ended as of January 2005. The new version, called Active Directory, will prepare the city's computer network for upgrades and enhancements. It will also allow for the remote management of the City's 1,000 computer workstations, which is currently a manual process that requires the Information Services staff to physically access each workstation.

Active Directory is a database that contains network access information such as employee logon names and passwords. The database also allows for the creation of groups of individuals, to which security permissions can be applied. These security groups would dictate access to the City's business applications such as the financial, payroll and building permit software. Currently these business applications contain their own directories and each of these directories must be managed separately. Active Directory will allow the directories of many applications to be unified into one manageable database.

The Information Services department has determined that assistance with this project is necessary because of the significance of the directory infrastructure and the advantages gained by leveraging the experience of an outside consulting firm with prior experience in municipal government projects of this nature. The Information Services department has selected DynTek Inc. as the best consulting firm to provide this assistance. DynTek is a Microsoft Gold Partner and has extensive Active Directory experience.

Environmental Status: Not Applicable

Attachment(s):

City Clerk's Page Number	No.	Description
3	1.	Professional Services Contract Between the City of Huntington Beach and DynTek, Inc. for Microsoft Professional Consulting Services
34	2.	Purchasing Certification
37	3.	Insurance and Indemnification Waiver Modification Request

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ATTACHMENT #1

PROFESSIONAL SERVICES CONTRACT BETWEEN
THE CITY OF HUNTINGTON BEACH AND
Dyntek Inc.
FOR
Microsoft professional consulting services

THIS AGREEMENT ("Agreement") is made and entered into this _____ day of _____ 20____, by and between the City of Huntington Beach, a municipal corporation of the State of California, hereinafter referred to as "CITY, and Dyntek Inc., a Delaware Corporation hereinafter referred to as "CONSULTANT."

WHEREAS, CITY desires to engage the services of a consultant to provide Microsoft AD & Exchange consulting; and

Pursuant to documentation on file in the office of the City Clerk, the provisions of the Huntington Beach Municipal Code, Chapter 3.03, relating to procurement of professional service contracts have been complied with; and

CONSULTANT has been selected to perform these services,

NOW, THEREFORE, it is agreed by CITY and CONSULTANT as follows:

1. SCOPE OF SERVICES

CONSULTANT shall provide all services as described in **Exhibit "A,"** which is attached hereto and incorporated into this Agreement by this reference. These services shall sometimes hereinafter be referred to as the "PROJECT."

CONSULTANT hereby designates Robert Webber who shall represent it and be its sole contact and agent in all consultations with CITY during the performance of this Agreement.

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2. CITY STAFF ASSISTANCE

CITY shall assign a staff coordinator to work directly with CONSULTANT in the performance of this Agreement.

3. TERM; TIME OF PERFORMANCE

Time is of the essence of this Agreement. The services of CONSULTANT are to commence as soon as practicable after the execution of this Agreement by CITY (the "Commencement Date"). This Agreement shall expire on February 22nd 2006, unless sooner terminated as provided herein. All tasks specified in **Exhibit "A"** shall be completed no later than Six (6) months from the Commencement Date of this Agreement. These times may be extended with the written permission of CITY. The time for performance of the tasks identified in **Exhibit "A"** are generally to be shown in **Exhibit "A."** This schedule may be amended to benefit the PROJECT if mutually agreed to in writing by CITY and CONSULTANT.

4. COMPENSATION

In consideration of the performance of the services described herein, CITY agrees to pay CONSULTANT on a time and materials basis at the rates specified in **Exhibit "B,"** which is attached hereto and incorporated by reference into this Agreement, a fee, including all costs and expenses, not to exceed Forty-six thousand & eight hundred Dollars (\$ 46,800.00).

5. EXTRA WORK

In the event CITY requires additional services not included in **Exhibit "A"** or changes in the scope of services described in **Exhibit "A,"** CONSULTANT will undertake such work only after receiving written authorization from CITY. Additional

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compensation for such extra work shall be allowed only if the prior written approval of CITY is obtained.

6. METHOD OF PAYMENT

CONSULTANT shall be paid pursuant to the terms of **Exhibit "B."**

7. DISPOSITION OF PLANS, ESTIMATES AND OTHER DOCUMENTS

CONSULTANT agrees that title to all materials prepared hereunder, including, without limitation, all original drawings, designs, reports, both field and office notices, calculations, computer code, language, data or programs, maps, memoranda, letters and other documents, shall belong to CITY, and CONSULTANT shall turn these materials over to CITY upon expiration or termination of this Agreement or upon PROJECT completion, whichever shall occur first. These materials may be used by CITY as it sees fit.

8. HOLD HARMLESS

CONSULTANT hereby agrees to protect, defend, indemnify and hold harmless CITY, its officers, elected or appointed officials, employees, agents and volunteers from and against any and all claims, damages, losses, expenses, judgments, demands and defense costs (including, without limitation, costs and fees of litigation of every nature or liability of any kind or nature) arising out of or in connection with CONSULTANT's (or CONSULTANT's subcontractors, if any) negligent performance of this Agreement or its failure to comply with any of its obligations contained in this Agreement by CONSULTANT, its officers, agents or employees except such loss or damage which was caused by the sole negligence or willful misconduct of CITY. CONSULTANT will conduct all defense at its sole cost and expense and CITY shall

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approve selection of CONSULTANT's counsel. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as limitation upon the amount of indemnification to be provided by CONSULTANT.

9. PROFESSIONAL LIABILITY INSURANCE

CONSULTANT shall obtain and furnish to CITY a professional liability insurance policy covering the work performed by it hereunder. This policy shall provide coverage for CONSULTANT's professional liability in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and in the aggregate. The above-mentioned insurance shall not contain a self-insured retention, "deductible" or any other similar form of limitation on the required coverage except with the express written consent of CITY. A claims-made policy shall be acceptable if the policy further provides that:

- A. The policy retroactive date coincides with or precedes the initiation of the scope of work (including subsequent policies purchased as renewals or replacements).
- B. CONSULTANT shall notify CITY of circumstances or incidents that might give rise to future claims.

CONSULTANT will make every effort to maintain similar insurance during the required extended period of coverage following PROJECT completion. If insurance is terminated for any reason, CONSULTANT agrees to purchase an extended reporting provision of at least two (2) years to report claims arising from work performed in connection with this Agreement.

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10. CERTIFICATE OF INSURANCE

Prior to commencing performance of the work hereunder, CONSULTANT shall furnish to CITY a certificate of insurance subject to approval of the City Attorney evidencing the foregoing insurance coverage as required by this Agreement; the certificate shall:

- A. provide the name and policy number of each carrier and policy;
- B. shall state that the policy is currently in force; and
- C. shall promise that such policy shall not be suspended, voided or canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice; however, ten (10) days' prior written notice in the event of cancellation for nonpayment of premium.

CONSULTANT shall maintain the foregoing insurance coverage in force until the work under this Agreement is fully completed and accepted by CITY.

The requirement for carrying the foregoing insurance coverage shall not derogate from CONSULTANT's defense, hold harmless and indemnification obligations as set forth in this Agreement. CITY or its representative shall at all times have the right to demand the original or a copy of the policy of insurance. CONSULTANT shall pay, in a prompt and timely manner, the premiums on the insurance hereinabove required.

11. INDEPENDENT CONTRACTOR

CONSULTANT is, and shall be, acting at all times in the performance of this Agreement as an independent contractor herein and not as an employee of CITY. CONSULTANT shall secure at its own cost and expense, and be responsible for any and

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all payment of all taxes, social security, state disability insurance compensation, unemployment compensation and other payroll deductions for CONSULTANT and its officers, agents and employees and all business licenses, if any, in connection with the PROJECT and/or the services to be performed hereunder.

12. TERMINATION OF AGREEMENT

All work required hereunder shall be performed in a good and workmanlike manner. CITY may terminate CONSULTANT's services hereunder at any time with or without cause, and whether or not the PROJECT is fully complete. Any termination of this Agreement by CITY shall be made in writing, notice of which shall be delivered to CONSULTANT as provided herein. In the event of termination, all finished and unfinished documents, exhibits, report, and evidence shall, at the option of CITY, become its property and shall be promptly delivered to it by CONSULTANT.

13. ASSIGNMENT AND DELEGATION

This Agreement is a personal service contract and the work hereunder shall not be assigned, delegated or subcontracted by CONSULTANT to any other person or entity without the prior express written consent of CITY. If an assignment, delegation or subcontract is approved, all approved assignees, delegates and subconsultants must satisfy the insurance requirements as set forth in Sections 9 and 10 hereinabove.

14. COPYRIGHTS/PATENTS

CITY shall own all rights to any patent or copyright on any work, item or material produced as a result of this Agreement.

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15. CITY EMPLOYEES AND OFFICIALS

CONSULTANT shall employ no CITY official nor any regular CITY employee in the work performed pursuant to this Agreement. No officer or employee of CITY shall have any financial interest in this Agreement in violation of the applicable provisions of the *California Government Code*.

16. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to CONSULTANT's agent (as designated in Section 1 hereinabove) or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and CONSULTANT may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, a reputable overnight carrier or U. S. certified mail-return receipt requested:

TO CITY:

City of Huntington Beach
ATTN: Behzad Zamanian
2000 Main Street
Huntington Beach, CA 92648

TO CONSULTANT:

DynTek Inc.
Attn: Robert Webber
19700 Fairchild Road
Suite 350
Irvine, CA 92612

17. CONSENT

When CITY's consent/approval is required under this Agreement, its consent/approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

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18. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

19. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit or describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

20. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement

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which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

21. DUPLICATE ORIGINAL

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

22. IMMIGRATION

CONSULTANT shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the *United States Code* regarding employment verification.

23. LEGAL SERVICES SUBCONTRACTING PROHIBITED

CONSULTANT and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. CONSULTANT understands that pursuant to *Huntington Beach City Charter* Section 309, the City Attorney is the exclusive legal counsel for CITY; and CITY shall not be liable for payment of any legal services expenses incurred by CONSULTANT.

24. ATTORNEY'S FEES

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof,

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each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled to recover its attorney's fees from the non-prevailing party.

25. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement, shall so survive.

26. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

27. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiation, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this Agreement. This Agreement, and the attached exhibits, contain the entire agreement between the parties respecting the subject matter of this Agreement, and supercede all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized offices the day, month and year first above written.

CONSULTANT,

DYNTEK, INC.

CITY OF HUNTINGTON BEACH,
a municipal corporation of the State of California

By: C. W. M. COO

C. W. Rubin, Sr.
print name

ITS: (circle one) Chairman/President Vice President

AND

By: Robert Weber

ROBERT WEBER
print name

ITS: (circle one) Secretary Chief Financial Officer Asst.
Secretary - Treasurer

REVIEWED AND APPROVED:

Jenlyne Culler
City Administrator

Mayor

City Clerk

APPROVED AS TO FORM:

Jennifer M. Gath
City Attorney 2/17/05

INITIATED AND APPROVED:

B. [Signature]
Director Information Services

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EXHIBIT A



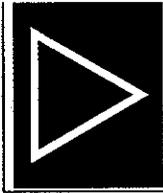
Microsoft Active Directory and Exchange 2003

**Assessment, Design, Planning WORKSHOP & PROOF OF
CONCEPT Proposal**

Prepared for: **City of Huntington Beach**

Thursday, February 03, 2005

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Acknowledgments

DynTek Team

David Upton, Microsoft Practice Director

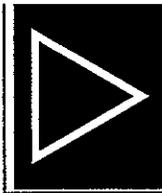
Laura Peters, Sr. Account Executive

19700 Fairchild Road, Suite 350
Irvine, CA 92612
(949)271-0800

Statement of Confidentiality

This proposal is intended as a response to the request provided DynTek, INC. (DYNTEK) by City of Huntington Beach. The information contained herein is designed as a response to the interpretation of requirements identified by City of Huntington Beach. Should any discrepancies to that original request arise, or modifications be made, DYNTEK reserves the right to modify its proposal. The data in this proposal will not be disclosed outside the City of Huntington Beach organization and will not be duplicated, used or disclosed, in whole or in part, for any purposes other than to evaluate the proposal. If a contract is awarded to DYNTEK as a result of or in connection with the submission of this proposal, City of Huntington Beach will have the right to duplicate, use or disclose the data to the extent provided by the contract. This restriction does not limit the right of City of Huntington Beach to use information contained in the proposal if it is obtained from another source without restriction.

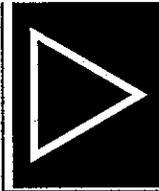
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EXECUTIVE OVERVIEW

PROJECT GOALS

The City of Huntington Beach desires to upgrade their current Microsoft Infrastructure to Active Directory and Exchange 2003 on the Windows Server 2003 platform in order to enhance the support of their end-user community.

Currently, The City of Huntington Beach plans to migrate to Windows Server 2003 and Active Directory. Microsoft has extended great effort to ensure that the transition from any legacy platform to the 2003 platform is as simple as possible. The migration planning and design effort are extremely similar and a large amount of overlap exists within the Active Directory, Server and Exchange 2003 discussions, DYNTEK recommends that City of Huntington Beach take advantage of this opportunity to plan and design a migration path to the 2003 platform for (1) Active Directory, (2) Windows Server and (3) MS Exchange Server.

Microsoft QuickStart Deployment Program (Workshop)



DynTek recommends the utilization of The Microsoft QuickStart Deployment Program which has been designed to match the typical life cycle of Information Technology deployment projects. Services are offered for each of the main phases in this life cycle:

1. **Evaluate:** Workshop designed to cover the core features of the product, build consensus on the drivers for deployment, and make initial architectural decisions.
2. **Plan:** Fixed duration packaged service that rapidly produces a first pass architecture design and identifies risks for the full deployment.
3. **Build:** Services to follow up on the risks identified in the plan phase; perform lab testing; complete the detailed design document; create installation, operations, training, deployment, and communications plans; and conclude with a pilot implementation.
4. **Deploy:** At the conclusion of the build phase all decisions have been made and tested so everything is ready for a rapid and trouble free deployment. Custom services are available to oversee and execute the deployment.
5. **Manage:** A complete operations plan is critical for successful deployments. DynTek offers services to deliver top quality operational best practices customized for your environment. In this engagement, baseline operational procedure documentation will be provided; complete or detailed operational plans are available at additional costs.

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DYNTEK PROPOSAL

This proposal outlines the anticipated Scope of effort required by DynTek for the Evaluate, Plan and Build effort of Windows Server 2003, Active Directory and MS Exchange Server 2003.

The fundamental goal of this engagement is to:

1. Assess the current domain, server and messaging architecture.
2. Educate the I.T. staff of City of Huntington Beach about the enhancements and technical details of Active Directory, the Microsoft Windows Server 2003 platform and Microsoft Exchange 2003.
3. Provide a detailed architectural plan and design for the new environment.
4. Prove the design in a laboratory environment.
5. Provide necessary plans, recommendations and deliverables for the complete migration and build-out of the new Microsoft 2003 domain and Exchange 2003 messaging environment.
6. Provide necessary baseline operational guidelines and procedures for maintaining the new environment.

Upon Completion of this workshop, City of Huntington Beach will be equipped with the necessary architecture design and plan to upgrade their servers to the Windows Server 2003 operating system and the Exchange 2003 communications platform.

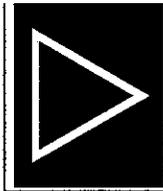
Upon the completion of the complete migration, City of Huntington Beach will leverage the Microsoft Active Directory tools to manage their environment more effectively, enable additional security enhancements and eliminate the need to support the legacy platform policies and profiles. In addition, City of Huntington Beach will have the ability to leverage the active directory enhancements to domain/ global catalog synchronization and object administration, delegate end user administration and better support their remote users in the field due to significant enhancements to Outlook Web Access and Outlook Synchronization.

DynTek proposes the following:

- o **Planning and Design Workshop (3 weeks):** Effective planning at an early stage is critical to reducing complexity, risk, and time in deployment. This stage provides the foundation for successful design and planning of this engagement.
- o **Proof of Concept Laboratory (2 weeks):** The team will implement a fully functional Windows/Exchange 2003 "proof of concept" on a set of lab servers provided by City of Huntington Beach and demonstrate its use to the City of Huntington Beach IT and Management staff at a location specified by City of Huntington Beach.

DynTek proposes to provide this effort to City of Huntington Beach for a **time and materials estimated investment of \$46,800.00**. This Workshop and Deployment service will provide a design for Active Directory, MS Exchange and MS Windows Server 2003; identify risks and project plans for the deployment and project management to ensure that the project is completed successfully within the timeline identified.

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STATEMENT OF WORK

PLAN & BUILD

DYNTEK's QuickPlan Workshop services are fixed length services delivered either in a continuous block or spread over time to best fit your needs. The DYNTEK consultants conduct a series of design sessions with your staff to present key design choices, gather information on your environment and needs, and guide your team in making the appropriate decisions. Other consultants may be brought in to cover particular topics. Most of the value of the service comes through these design sessions since your team participates and understands the detail behind the major decisions that need to be made. The consultant will use the information gathered through the engagement and the decisions made to prepare an architecture document.

The Planning and Design phase will:

1. Provide you with a deeper understanding of Microsoft Active Directory, Exchange Server and Server 2003.
2. Provide you with a document that delivers a solid first-pass design.
3. Provide you with sufficient detail for hardware and software budgeting purposes.
4. Provide you with a Proof of Concept solution in a laboratory environment.
5. Highlight key areas of risk and planning that need detailed follow up.

Planning

The Design and Planning Workshop will provide a design for MS Active Directory, Windows Server 2003 and Exchange 2003 and identify risks and plans for the deployment. At the conclusion of this planning phase City of Huntington Beach will have a clear understanding of the steps required to complete the design and deployment.

During this workshop, the DYNTEK consultant(s) will work with the City of Huntington Beach team to plan and design the solution that makes most practical sense and minimizes the impact to the City of Huntington Beach user community. The end result will be a best practice based solution that leverages as much of the 2003 platform that can be absorbed by City of Huntington Beach along with a plan for the complete migration to the Active Directory and Exchange 2003 platform.

We recognize that some areas remain too complex to be dealt with in the time allotted (for example multi-vendor directory synchronization, 3rd party fax solutions, unified messaging or detailed workstation and/or member server migration planning). These and other high-risk items will be identified during the planning project and flagged for follow-up.

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Assessment and Design

The QuickPlan Planning service is particularly valuable since it covers the core design choices all customers face, rapidly allowing you to concentrate on the areas unique to your own situation. Without such guidance, some customers can be overwhelmed by the number of choices facing them and become embroiled in committee meetings and research before finally seeking assessment and design assistance.

While many decisions are complex, experience has shown that the answers are commonly the same – or at least the ideal design is the same with some deviation for individual requirements.

Key to the value of the service is the interactive design sessions during which the consultant gathers information on the customer's environment, gathers information on the customer's business needs, educates the customer's staff on the critical architecture decisions and guides them to the best solutions. The consultant then prepares an architecture document for the customer and reviews it with them. The project includes the following main elements:

Requirements

The engagement will begin with a review of the business requirements and the vision and scope of the project. Key project criteria will be considered in the context of the organization's business objectives. Framing the vision and scope focuses the project creating more valuable results with less risk.

Assessment

Information will be gathered on the existing environment during the design sessions so that the plan addresses any issues including those related to legacy systems:

- ✓ Wide area network design
- ✓ Network operating systems
- ✓ Desktop operating systems
- ✓ Current and future administration models
- ✓ Security architecture
- ✓ Corporate namespace standards and requirements
- ✓ Existing directory, Kerberos, DNS and other key infrastructure systems
- ✓ Application integration requirements
- ✓ User population breakdown by location and role
- ✓ Existing e-mail infrastructure
- ✓ Current and future administration models
- ✓ Corporate namespace standards and requirements

Design Sessions

The assigned consultants will lead a series of interactive design sessions covering the core decisions that must be made to successfully develop a first pass design. The design sessions will cover:

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Microsoft Windows Server 2003

- ✓ **Active Directory:** The fundamental logical and physical structure for the Windows enterprise based on security, administration, namespace requirements and network topology.
- ✓ **Member Server:** The use of varied data structures and server configurations to optimize data access, data availability, and the management of user state data. Structured approaches for configuring well-managed servers and techniques for rapid deployment of Active Directory for server management.
- ✓ **Application Compatibility:** Considerations for developing a structured server application testing process and lab environment.
- ✓ **Operations:** Principles of complete Microsoft Operations Framework models and essential operations procedures.

Microsoft Exchange 2003

- ✓ **Logical design:** First step is to consider the ideal system design which will guide later sessions as they address issues with practical realization of the vision.
- ✓ **Active Directory:** Exchange 2003's integration with and requirements for Active Directory - either to review an existing Active Directory design or make recommendations to the design team.
- ✓ **Physical Design:** Implementing the logical design through consideration of server design, routing topology, Internet e-mail, secure e-mail, and administration.
- ✓ **Upgrade and Coexistence:** Upgrade strategies will be discussed along with best practices for handling coexistence and migration and deploying the Active Directory Connector or other directory synchronization tools.
- ✓ **Client Issues:** Choice of client, use of Outlook Web Access, public folders, and enterprise calendaring.
- ✓ **Collaboration features:** Options for deploying Instant Messaging and Microsoft Exchange 2000 Conferencing Server.
- ✓ **Operations:** Principles of complete Microsoft Operations Framework models and essential operations procedures.

Interoperability

Coexistence with current systems is vital to a successful information technology deployment and migration. The assigned consultants will provide direction on interoperability with other directories, DNS servers, and security infrastructures as needed.

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High-Level Outline of Design Topics Covered

Active Directory

- Forest structure
- Domain structure
- DNS
- Organizational unit structure
- Delegation
- Group Policy Objects
- Security templates
- Authentication
- Account policies
- Security groups
- Auditing
- Site structure
- Locating roles and service
- Operations masters
- Database sizing
- Network traffic
- Resource publishing
- Migration Considerations
- Administration Model
- Exchange AD Integration
- Exchange Address Lists
- Exchange Recipient Policies
- Exchange Group Design
- Active Directory Connector

Application Compatibility

- Inventory
- Creating a lab plan and prioritization process
- Testing process
- Reporting
- Repair and distribution guidelines

Member Server

- Clustering
- Distributed file system
- User state management
- File and print designs
- Group policy objects
- Security policy templates
- Delegation
- Restricted groups
- Server management
- Deploying Active Directory for server management

Operations

- Operations framework
- Backup and restore
- Server recovery tools
- Monitoring
- Exchange Management & Monitoring
- Exchange Anti-Virus Measures
- Exchange Operations

Exchange Logical Design

- Administration Model
- Deployment Model

Exchange Physical Design

- Deployment Model
- Server Design
- Implementing the Administration Model
- Routing Topology
- Internet E-Mail
- Secure E-Mail

Exchange Client

- Public Folders
- Calendaring
- Client Choice
- Client Issues
- Outlook Web Access
- Offline Folder Synchronization

Exchange Upgrade or Co-Existence

- Upgrade Strategy
- Co-Existence & Migration

- Directory Synchronization tools including AD Connector

Exchange Collaboration Features

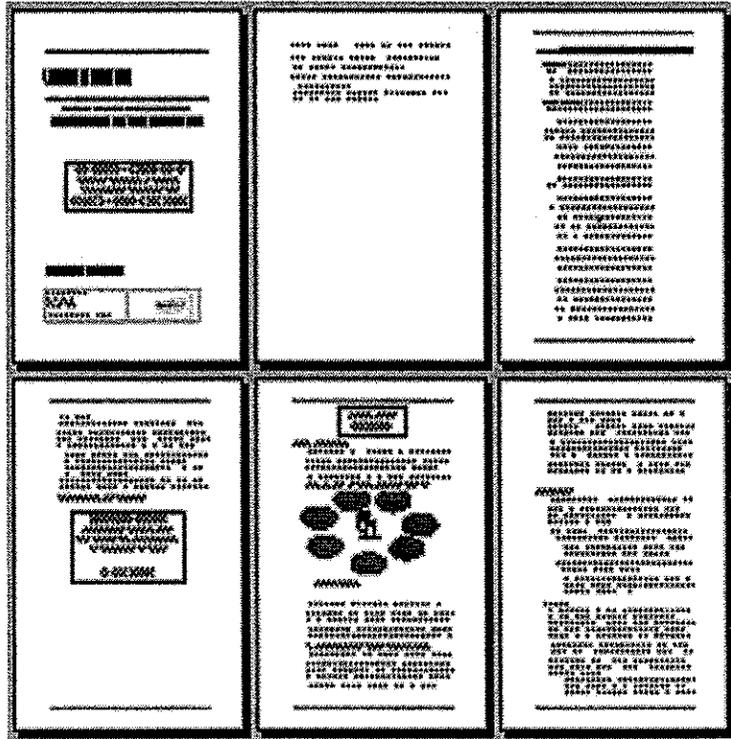
- Public Folders
- Instant Messaging
- Live Communications Server

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Core Deliverables

Architecture Plan Document
The Architecture Plan document will detail all the information gathered and decisions made during the project. It will include a summary of the next steps needed to successfully deploy Microsoft Active Directory and Microsoft Exchange on Microsoft Windows 2003 Server. This summary will highlight areas unique to the environment that will require further detailed follow up.

Proof of Concept
The DYNTEK team will work with the City of Huntington Beach team to design, build, test, and implement a proof of concept for the migration and the administration of the proposed Windows/Exchange 2003 solution.



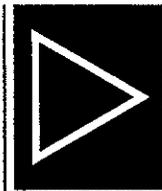
The team will implement a fully functional Windows/Exchange 2003 "proof of concept" on a set of lab servers provided by City of Huntington Beach and demonstrate its use to the City of Huntington Beach IT staff at a location specified by City of Huntington Beach. At this time, the DYNTEK team and City of Huntington Beach will mutually agree upon the success of the proof of concept and validate that the features and functions of the new environment are properly represented in the proof of concept lab.

This "pilot" will provide City of Huntington Beach assurance of a proof of concept before full-scale deployment begins. The team will test and analyze proof of concept results. The results of the pilot, lessons learned, and recommendations for any configuration changes will be made to the "Architecture Plan" document and submitted to the management of City of Huntington Beach prior to beginning deployment within the City of Huntington Beach production environment.

Deployment

If necessary, upon completion of the Proof of Concept Phase, DYNTEK and City of Huntington Beach will develop a follow-on Statement of Work for the Deployment phase of the project.

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PROFESSIONAL SERVICES AND COST SUMMARY

DynTek proposes to deliver Assessment, Design, Planning and Proof of Concept Services for Active Directory, Exchange 2003 and Windows Server 2003 to City of Huntington Beach.

SCHEDULE

Service is expected to be delivered within a 4-6 week time frame. This service will be scheduled to occur within 2-3 weeks of contract signature.

LOCATION

The Microsoft QuickStart for Planning MS Exchange 2003 and Windows 2003 design sessions will be held at:

**City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648**

Additional research and documentation work will be performed as part of this service. This work may be conducted on site at the above address or at other locations.

HIGH-LEVEL TASK BREAKDOWN

Project Phase	Estimated Man-Days	Est. Cost
QuickPlan Workshop and Pilot AD & Exchange	20	
<i>Principal Consultant</i>	5	\$7,400
<i>Senior Consultant</i>	15	\$19,200
Microsoft Build, Test & Pilot	15	
<i>Principal Consultant</i>	5	\$7,400
<i>Senior Consultant</i>	10	\$12,800
Total	35	\$46,800.00

FEE

DynTek proposes to provide this effort to City of Huntington Beach for a **TIME AND MATERIALS ESTIMATED INVESTMENT OF \$46,800.00.** This Workshop and Deployment service will provide a design for Active Directory, MS Exchange and MS Windows Server 2003; identify risks and project plans for the deployment and project management to ensure that the project is completed successfully within the timeline identified. This fee covers services delivered by the team listed above and other consultants and subcontractors chosen by DynTek. All reasonable expenses incurred to deliver the service at the location listed above, up to a maximum of \$1,000.00 are included. Additional services can be provided on a time and materials basis under a separate work order.

Included in our proposal is an additional forty (40) hours of post implementation service support (ITCare - \$8,000.00 value) provided to the City of Huntington Beach at no additional charge. The purpose of the ITCare is to provide phone or on-site support in a post implementation mode. For on-site purposes, DynTek will deduct in four (4) or eight (8) hour [>5 hours worked] increments. The forty (40) hours will be valid for 1 year commencing the date of the signed Statement of Work.

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CONSULTING TEAM

Microsoft Engagement Manager:

- Provide overall project management, quality assurance and completion of deliverables.
- Facilitate all Workshop activity and lead the design discussions.
- Serve as primary project owner and escalation point from DynTek
- Provide scheduled project updates to City of Huntington Beach management

Microsoft Technical Consultants: These Consultants will:

- Serve as an on-site technical lead for the Microsoft Active Directory, Windows Server and Exchange 2003 Design and Planning session.
- Provide Subject Matter Expertise with regards to design, planning, deployment, platform architecture.
- Ensure that proper knowledge transfer occurs to the City of Huntington Beach technical staff.

ASSUMPTIONS

For the scope of this project, DYNTEK and City of Huntington Beach will make the following assumptions.

- City of Huntington Beach will provide access to IT personnel and resources during the scope of this project. These resources must be available to assist the project team and must be able to furnish information on Customer's operations, activities, and existing systems, as reasonably required to achieve the project objectives.
- City of Huntington Beach to provide DYNTEK Consultants with necessary security access to networking systems and Customer's facilities during the performance of the professional services.
- City of Huntington Beach will provide a laboratory environment for all testing and proof of concept activities. This environment will consist of at least 6 server class computers or equivalent virtual server platform and all necessary network electronics for the test environment.
- City of Huntington Beach will be responsible for the back up of all computer systems involved in this project.

CRITICAL PATH

Line of Business Managers must be available for the evaluation and planning stage "workshop" where the DYNTEK consulting team will interview the respective business managers for their respective input to the Active Directory and Exchange platform design.

ACCEPTANCE CRITERIA

DYNTEK will provide final documentation, "As Built Documentation" (Architecture Plan document) and documented recommendation for the ongoing support of the new environment. It is at this time, that the Customer and DYNTEK will agree to final project sign-off and acceptance.

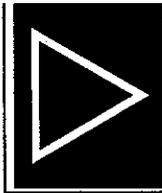
PROJECT SIGN-OFF, ACCEPTANCE AND CASE STUDY DEVELOPMENT

Upon completion of the Workshop, Customer will sign the final completion documents included in this Statement of Work. This will signify the completion of the project in its entirety. It is customary for DYNTEK to engage in a joint PR endeavor upon completion of the project in order to develop a case

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study of the project to outline the success and the business value that has been gained by the Customer as a result of the new and improved Microsoft Environment.

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COMMITMENT TO PROCEED & ACCEPTANCE

COMMITMENT TO PROCEED

Signatures below acknowledge execution of this Agreement:

APPROVAL	CITY OF HUNTINGTON BEACH	APPROVAL	DYNTEK, INC.
	(PRINT COMPANY NAME)		(PRINT COMPANY NAME)
BY:		BY:	
	(PRINT YOUR NAME AND TITLE)		(PRINT YOUR NAME AND TITLE)
SIGNED:		SIGNED:	
	(AUTHORIZED SIGNATURE)		(AUTHORIZED SIGNATURE)
DATED:		DATED:	

FINAL PROJECT ACCEPTANCE

Signatures below acknowledge that the deliverables set forth in this document have been completed:

ACCEPTANCE	CITY OF HUNTINGTON BEACH	ACCEPTANCE	DYNTEK, INC.
	(PRINT COMPANY NAME)		(PRINT COMPANY NAME)
BY:		BY:	
	(PRINT YOUR NAME AND TITLE)		(PRINT YOUR NAME AND TITLE)
SIGNED:		SIGNED:	
	(AUTHORIZED SIGNATURE)		(AUTHORIZED SIGNATURE)
DATED:		DATED:	

Customer will be responsible for reviewing all deliverables. If deliverables have been met, the Acceptance table above must be signed and delivered to DYNTEK via fax or email. An acceptance period of five (5) working days will be used for acceptance. At the end of the acceptance period, if no formal acceptance or rejection is received by DYNTEK, the deliverable will be deemed as accepted by DYNTEK. Customer will be responsible for formally documenting the acceptance and/or rejection of the deliverables. Rejections will include line item documentation, supporting each point and reason for the rejection. Acceptance documentation will include date accepted and accepted by. The accepted by will be limited to the Project Manager and/or Project owner.

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EXHIBIT B

EXHIBIT "B"

Payment Schedule (Hourly Payment)

A. Hourly Rate

CONSULTANT'S fees for such services shall be based upon the following hourly rate and cost schedule:

\$46,800 total; \$30,000 paid by Microsoft; \$16,800 paid by the City of Huntington Beach on a time & materials basis billed every 15th day of the month for actual work performed.

B. Travel

1. Charges for time during travel are normally not reimbursable and will only be paid if such time is actually used in performing services for CITY or as otherwise arranged with CITY.
2. As CITY sometimes uses consultants that are outside of the nearest metropolitan area, CITY is very conscious of travel costs. Subject to agreement otherwise, CONSULTANT will be held to charging no fees on travel time to or from Huntington Beach.
3. Automobile expenses are limited to the IRS standard business mileage rate. All other travel expenses must be approved in advance by CITY in writing. Requests for approval shall be submitted at least fourteen (14) days in advance, to allow for reduced transportation fares. Meals are not billable to CITY, without prior written consent of CITY.

C. Billing

1. All billing shall be done monthly in one-tenth-hour (0.10) increments and matched to an appropriate breakdown of the time that was taken to perform that work and who performed it.

Minimum billing charges are unacceptable. CONSULTANT shall only charge for actual time spent. For example, minimum of 0.2 hours for phone calls or 0.4 hours for letters is unreasonable unless that is an accurate measure of time spent.

2. Each month's bill should include a total to date. That total should provide, at a glance, the total fees and costs incurred to date for the case or matter.
3. Telephone, cellular phone and postage charges are billable at actual cost. A copy of all service bills/costs should accompany the billing for each single item that exceeds Seventy-Five Dollars (\$75.00). The fee for the sending or receiving of facsimiles shall not exceed Twenty-five Cents (\$0.25) per page. CITY will not pay a fee or

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EXHIBIT "B"

Payment Schedule (Hourly Payment)

charge for telephone calls or facsimiles to CITY. Photocopier costs should be no more than the actual cost of duplication, or Ten Cents (\$0.10) per page, whichever is less.

4. CITY will not pay for secretarial time or secretarial overtime. CITY will not pay for secretarial tasks or tasks that should be subsumed into CONSULTANT's overhead. For example, time spent for faxing, mailing, arranging for messengers and calendaring are not acceptable charges.
5. CITY will not pay for word processing charges. This includes per page or hourly charges.
6. CITY will not pay for billing or discussion of bills. If CITY has questions about billing or needs additional information on bills, that is not a chargeable event; CONSULTANT should respond without charging CITY for the time required.
7. CITY appreciates when CONSULTANT has researched an issue previously and uses that research on the present case. CITY has retained CONSULTANT because of its past experience. CONSULTANT shall not charge CITY for work it has done and billed another client for in the past.
8. Delivery of work product: A copy of every memorandum, letter, report, calculation and other documentation prepared by CONSULTANT shall be submitted to CITY to demonstrate progress toward completion of tasks. In the event CITY rejects or has comments on any such product, CITY shall identify specific requirements for satisfactory completion.
9. CONSULTANT shall submit to CITY an invoice for each monthly payment due. Such invoice shall:
 - A) Reference this Agreement;
 - B) Describe the services performed;
 - C) Show the total amount of the payment due;
 - D) Include a certification by a principal member of CONSULTANT's firm that the work has been performed in accordance with the provisions of this Agreement; and
 - E) For all payments include an estimate of the percentage of work completed.

Upon submission of any such invoice, if CITY is satisfied that CONSULTANT is making satisfactory progress toward completion of tasks in accordance with this Agreement, CITY shall approve the invoice, in which event payment shall be made within thirty (30) days of receipt of the invoice by CITY. Such approval shall not be unreasonably withheld. If CITY does not approve an invoice, CITY shall notify CONSULTANT in writing of the reasons for non-approval and the schedule of performance set forth in Exhibit "A" may at the option of CITY be suspended until the

EXHIBIT "B"

Payment Schedule (Hourly Payment)

parties agree that past performance by CONSULTANT is in, or has been brought into compliance, or until this Agreement has expired or is terminated as provided herein.

10. Any billings for extra work or additional services authorized in advance and in writing by CITY shall be invoiced separately to CITY. Such invoice shall contain all of the information required above, and in addition shall list the hours expended and hourly rate charged for such time. Such invoices shall be approved by CITY if the work performed is in accordance with the extra work or additional services requested, and if CITY is satisfied that the statement of hours worked and costs incurred is accurate. Such approval shall not be unreasonably withheld. Any dispute between the parties concerning payment of such an invoice shall be treated as separate and apart from the ongoing performance of the remainder of this Agreement.

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ATTACHMENT #2



PROFESSIONAL SERVICE CONTRACTS PURCHASING CERTIFICATION

1. Requested by: John Carpenter
2. Date: February 15, 2005
3. Name of consultant: Dyntek
4. Description of work to be performed: Software implementation consulting
5. Amount of the contract: \$46,800.00
6. Are sufficient funds available to fund this contract?¹ Yes, No
7. Company number and object code where funds are budgeted: *10042154.69315*
(\$30,000 of the \$46,800.00 to be paid by Microsoft)
8. Is this contract generally described on the list of professional service contracts approved by the City Council¹? Yes, No
9. Is this contract within \$25,000 or 25% (whichever is less) of the amount stated on the list of professional service contracts approved by the City Council?¹
 Yes, No
10. Were (at least) informal written proposals requested of three consultants?
 Yes, No
11. Attach list of consultants from whom proposals were requested (including a contact telephone number).
12. Attach proposed scope of work.
13. Attach proposed payment schedule.


RICHARD AMADRIL, Manager
Purchasing/Central Services

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¹ If the answer to any these questions is "No," the contract will require approval from the City Council.

AD Deployment Consultant Evaluation Summary

General

The proposals that we have received were all based upon a similar model that represents the Microsoft Solutions Framework. The four phases of the approach proposed by all vendors included design, test, pilot, and deployment in that order. From the beginning of the vendor selection process, we believed that the best approach for the City of Huntington Beach is to seek assistance with the first three phases and perform the deployment phase using internal staff only. We feel that this approach will provide the City's IS staff with a higher degree of ownership and knowledge of the final infrastructure configuration. However, we have always been open to considering assistance with the deployment phase should sufficient justification exist.

All estimates received were T&M estimates. Although the estimates varied in price, the per hour costs were close. Therefore, price was not considered as criteria in the selection process.

SSN Consulting

2727 Newport Blvd., Suite 102
Newport Beach, CA 92663

Cathrine Bluma (949) 723-2800 x260

Dave Kirk and I met with Kathrine Bluma here at the City on November 11th, 2004. At the conclusion of the meeting, Katharine told us that she would provide us with an estimate for the planning phases of AD implementation. Neither Dave nor I heard anything from SSN Consulting after the November 11th meeting. I am concerned that SSN Consulting would have this same level of responsiveness during the project so I the City will not be considering SSN Consulting as our AD consultant.

INS

Colton Corporate Center, Suite 190
3100 South Harbor Blvd.
Santa Ana, CA 92750

Hani Shouga (714) 434-8705

In my initial conversations with Hani Shouga, I stated that the City prefers to perform the deployment phase of the AD project with its internal staff only. I stated that my expectations of the first three phases were to provide a deployment plan that was thorough enough to provide the internal City staff with enough information to complete the deployment phase on its own. Hani Shouga's recommendation was that the City's staff should not perform the deployment phase without at least one consultant from INS. From this recommendation it was our opinion that the approach used by INS may not be well suited for omitting the deployment phase from the INS engagement.

We met privately with two INS technicians as an interviewing process to evaluate the skills of the technical staff. I posed the question of how they might approach the challenge of integrating the City's Police Department into the same forest as the remaining City networks. We were left with the impression that this may be possible but the technicians were not able to provide a technical solution during the interview.

DynTek (Integration Technologies Inc.)

18881 Von Karman,
Suite 250 Irvine, CA 92612

Laura Peters (949) 933-7534

DynTek was selected as our vendor of choice for the Active Directory/Exchange 2003 project. The meeting that we had with the DynTek technicians convinced us that their technical competence will sufficient for our requirements and the scope of work is well in-line with our goals. The included 40 hours of on-site support DynTek will be ideal during the deployment phase because we will have an emergency contact available if an unexpected problem occurs.

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ATTACHMENT #3

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INSURANCE AND INDEMNIFICATION WAIVER MODIFICATION REQUEST

RECEIVED

JAN 26 2005

City of Huntington Beach
City Attorney's Office

- Requested by: Christi Mendoza, Risk Management
- Date: January 20, 2005
- Name of contractor/permittee: Dyntek, Inc.
- Description of work to be performed: Provide professional services to assist with design plans and proof of concept to migrate from NT 4.0 to Windows Server 2003 for Exchange and Active Directory infrastructure
- Value and length of contract: ~\$48,000.00; six (6) calendar weeks
- Waiver/modification request: \$25,000 deductible/professional liability/cancellation wording
- Reason for request and why it should be granted: Unable to comply with the city's zero deductible and cancellation clause wording requirements.
- Identify the risks to the City in approving this waiver/modification: None.

B. J. [Signature] Department Head Signature 1-24-05 Date:

APPROVALS			
Approvals must be obtained in the order listed on this form. Two approvals are required for a request to be granted. Approval from the City Administrator's Office is only required if Risk Management and the City Attorney's Office disagree.			
1. Risk Management	<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	<u>[Signature]</u> Signature	<u>1/24/05</u> Date
2. City Attorney's Office	<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied	<u>Jennifer McGrath</u> Signature	<u>1/27/05</u> Date
3. City Administrator's Office	<input type="checkbox"/> Approved <input type="checkbox"/> Denied	_____ Signature	_____ Date
If approved, the completed waiver/modification request is to be submitted to the City Attorney's Office along with the contract for approval. Once the contract has been approved, this form is to be filed with the Risk Management Division of Administrative Services			

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ACORD™ CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 01/07/2005
PRODUCER Arden Financial Services, Inc. 442 Route 202-206 North, Suite 483 Bedminster, NJ 07921 (908) 470-0886	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Dyntek, Inc. 18881 Von Karman Avenue, Suite 250 Irvine, CA 92612	INSURERS AFFORDING COVERAGE INSURER A: Westchester Surplus Lines Ins. Co INSURER B: INSURER C: INSURER D: INSURER E:	NAIC # 10172

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	ADDP	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GENL. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A		Miscellaneous Professional Liability	EON G21951006001	09/14/2004	09/14/2005	\$1,000,000 OCC/\$1,000,000 AGG

APPROVED AS TO FORM
 JENNIFER McGRATH
 CITY ATTORNEY
per [signature]

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Additional Insured Subsidiary: Integration Technologies, Inc. 19700 Fairchild Road, Suite 350, Irvine CA 92612

Deductible: \$25,000 Each Claim

CERTIFICATE HOLDER City of Huntington Beach 2000 Main Street Huntington Beach, CA 92648 Attn: Risk Management	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: <i>Rose G. Mohr</i>
--	--

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IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

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ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/08/2005

PRODUCER (313)278-3600 FAX (313)278-8467
Commercial Underwriters Risk Mgt, Inc.
22720 Michigan Ave., Ste. 210
P O Box 1088
Dearborn, MI 48121-1088

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED DynTek, Inc.
24401 Halstead Rd
Farmington Hills, MI 48335

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: St. Paul Travelers Ins. Co.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURER ADD'L LTR (NR)	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENT. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO.JECT <input type="checkbox"/> LOC	TE02101269	06/20/2004	06/20/2005	EACH OCCURRENCE	\$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ex occurrence)	\$ 250,000
					MED EXP (Any one person)	\$ 10,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COM/POF AGG	\$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ex accident)	\$
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
						\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WVA2102971	06/20/2004	06/20/2005	WC STATUTORY LIMITS	OTY-ER
					E.L. EACH ACCIDENT	\$ 500,000
					E.L. DISEASE - EA EMPLOYEE	\$ 500,000
					E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 The City of Huntington Beach, its agents, officers and employees are named Additional Insured on the General Liability policy (endorsement attached) with respects to services provided by the Named Insured for the Additional Insured.

CERTIFICATE HOLDER
 The City of Huntington Beach
 Attn: Risk Management
 2000 Main St
 Huntington Beach, CA 92648

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~SEND BY MAIL~~ 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT.
 AUTHORIZED REPRESENTATIVE
 Mary Smith/LDW *Mary K. Smith*

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POLICY INFORMATION

THIS IS NOT A BILL.

**YOUR POLICY IS DIRECTLY BILLED. IF THIS IS A POLICY CHANGE, THE ADDITIONAL OR RETURN PREMIUM WILL BE SHOWN ON FUTURE INSTALLMENT BILLINGS. IF ALL INSTALLMENTS HAVE BEEN BILLED, THE PREMIUM CHANGE WILL BE BILLED OR CREDITED PROMPTLY. A BILL WILL BE SENT TO:
THE INSURED**

Company: ST. PAUL FIRE & MARINE INSURANCE COMPANY

**I DYNTEK, INC.
N NEWPORT ACQUISITION
S DYNTEK SERVICES
U TEKINSIGHT EGOV
R 24401 HALSTEAD RD.
E FARMINGTON HILL MI 48335
D**

**Policy Inception/Effective Date: 01/13/05
Policy Number: TE02101269
Agency Number: 2101035**

**Transaction Type:
ENDORSEMENT OF POLICY
Transaction number: 005
Processing Date: 01/17/05 07:06**

**A COMM'L UNDERWRITERS RISK MNGT
G P.O. BOX 1088
E DEARBORN MI 48121
N
T**

Policy Number	Description	Amount	Surtax/ Surcharge
TE02101269	SERIES 2000 ENDT - ADDITIONAL PREMIUM	\$150.00	

THE PREMIUM SHOWN DOES NOT INCLUDE A PREMIUM PAYMENT PLAN SERVICE CHARGE. IF YOU SELECTED A PREMIUM PAYMENT PLAN YOUR PAYMENT SCHEDULE/BILL WILL SHOW THIS CHARGE.

THIS POLICY IS ON A FOUR PAY PAYMENT PLAN. A PAYMENT SCHEDULE/BILL WILL FOLLOW SHORTLY.

** Provided for internal review purposes only. * This policy is neither issued nor certified. **

E-4.42

POLICY CHANGE ENDORSEMENT

The Standard

This endorsement summarizes the changes to your policy. All other terms of your policy not affected by these changes remain the same.

How Your Policy is Changed

GENERAL LIABILITY

Form Information:

The Endorsement(s) Named Below Is Added:

Described Person Or Organization Endorsement - Additional Protected Persons

* Provided for internal review purposes only. * This policy is neither issued nor certified. *

Premium Change Which is Due New

Additional premium

\$150.00

Returned Premium

If issued after the date your policy begins, these spaces must be completed and our representative must sign below.

Policy issued to
DYNTEK, INC.
NEWPORT ACQUISITION
DYNTEK SERVICES
TEKINSIGHT EGOV

Authorized representative

Endorsement takes effect
01/13/05
Processing Date: 01/17/05

Policy Number
TE02101269

07:06 005

E-4.43

**TECHNOLOGY
COMMERCIAL GENERAL LIABILITY PROTECTION
COVERAGE SUMMARY**

The St Paul

This Coverage Summary shows the limits of coverage that apply to your Technology Commercial General Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

Limits Of Coverage

General total limit.	\$2,000,000
Products and completed work total limit.	\$2,000,000
Personal injury each person limit.	\$1,000,000
Advertising injury each person limit.	\$1,000,000
Each event limit.	\$1,000,000
Premises damage limit.	\$250,000
Medical expenses limit.	\$10,000

Named Endorsement Table

Important Note: Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

Described Person or Organization Endorsement - Addl Prot Persons

Person or Organization

The City of Huntington Beach, its agents, officers and employees

Name of Insured
DYNTEK, INC.

Policy Number TE02101269

Effective Date 01/13/05

Processing Date 01/17/05 07:06 005

47151 Rev.1-96 Printed in U.S.A.

Coverage Summary

St. Paul Fire and Marine Insurance Co. 1995 All Rights Reserved

Page 1

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**DESCRIBED PERSON OR ORGANIZATION ENDORSEMENT -
ADDITIONAL PROTECTED PERSONS**

StPaul

This endorsement changes your Commercial General Liability Protection.

How Coverage Is Changed

The following is added to the Who Is Protected Under This Agreement section. This change adds certain protected persons and limits their protection.

Described person or organization. The person or organization shown in the Coverage Summary as a described person or organization is a protected person. But only for covered injury or damage that results from:

- premises you own, rent or lease; or
- your work.

We explain what we mean by your work in the Products and completed work total limit section.

Other Terms

All other terms of your policy remain the same.

** Provided for internal review purposes only. * This policy is neither issued nor certified. **

E-4.45

COMMERCIAL UNDERWRITERS
22720 MICHIGAN AVE, STE 210
DEARBORN MI 48124
(313) 278-3800
FAX (313) 278-8467

FACSIMILE TRANSMITTAL SHEET

TO: CHRISTI MENDOZA	FROM: Lenore D Wengert
	EMAIL: lenorew@curminc.com
COMPANY: City of Huntington Beach	DATE: January 20, 2005
FAX NUMBER: 714-536-5212	TOTAL NO. OF PAGES INCLUDING COVER: 6

- URGENT
 FOR REVIEW
 PLEASE COMMENT
 PLEASE REPLY
 PLEASE RECYCLE

NOTES/COMMENTS:

RE: DynTek, Inc.

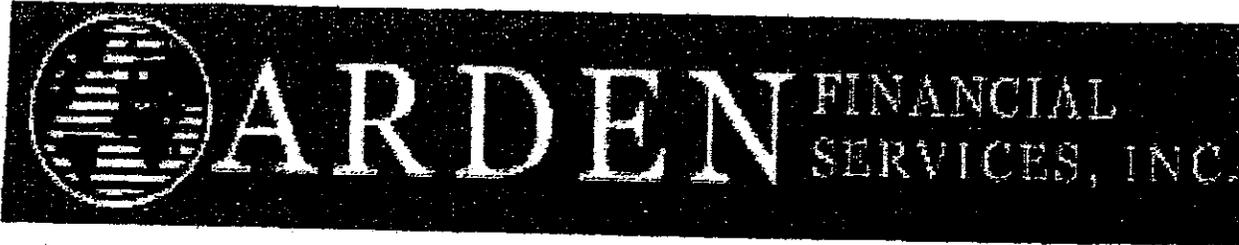
Hi Christi,

Attached is the certificate for our insured as requested. If you have any questions or concerns, please let me know.

Lenore

** Revised **

E-4.46



442 Route 202-206 North, No. 483, Bedminster, NJ 07921 • 908-470-0888 • fax 908-470-4258

To: Christi Mendoza From: Brian Mohr

Fax: 714 536-5252 Pages: 3

Phone: _____ Date: 1/7/04

Re: Dyntek / Integration Technologies cc: Mauden Huber

Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

Re: Contract Bid
Insurance Certificates E+O

E-4.47

**INTENTIONALLY
LEFT
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