



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Manager

SUBJECT: Approval of a Professional Services Agreement with I Copy, Inc. dba IBE Digital, Inc. for Information Technology Staff Augmentation Services

MEETING DATE: August 11, 2026

RECOMMENDATION:

Staff recommends that the City Council adopt a resolution:

Approving a Professional Services Agreement with I Copy, Inc. dba IBE Digital, Inc. for Information Technology staff augmentation services at an estimated annual amount not to exceed \$193,700, inclusive of a 10% contingency, for an initial three-year term, with one additional two-year renewal term in accordance with the terms of the Agreement; and

BACKGROUND:

The City's Information Technology Division supports the technology infrastructure and systems that enable City operations. As the City has continued implementing modernization initiatives and strengthening its cybersecurity capabilities, the demand for technical support and specialized expertise has increased. To maintain service levels and support ongoing operations, staff determined that supplemental IT resources are necessary.

To address these operational needs, the City Manager previously authorized a limited engagement with IBE Digital, Inc. under the administrative purchasing authority established by the City's Purchasing Policy. The engagement, which was under the City Manager's purchasing authority, provided temporary IT staff augmentation services. The need for these services remains and the total contract amount will soon exceed the City Manager's purchasing authority. As such, City Council approval is required to authorize a Professional Services Agreement for continued staff augmentation services.

DISCUSSION:

In accordance with the City's Purchasing Policy, staff obtained three written quotes for IT staff augmentation services. After evaluating each firm's qualifications, experience, responsiveness, and overall value, staff determined that IBE Digital, Inc., submitted the proposal that best meets the City's operational needs. IBE Digital has successfully supported the City's IT Division through the initial engagement, completed several major technology initiatives for the City, and has extensive knowledge of the City's network, systems, and technology environment. This familiarity allows the firm to continue providing immediate support with minimal onboarding and ensures continuity of operations.

The proposed agreement provides for an initial three (3)-year term with one two (2)-year renewal term unless either party provides notice of its intent not to renew. The agreement also includes an annual three percent (3%) adjustment to the hourly rates beginning in the second year of the agreement as well as a ten percent (10%) contingency to provide flexibility for unforeseen support that may become necessary during the contract term. The agreement provides these services at an estimated annual cost not to exceed \$193,700, inclusive of a 10% contingency. Any use of the contingency will require prior authorization by the City and does not represent a guaranteed expenditure. The agreement establishes separate not-to-exceed compensation limits for the initial term and renewal term; however, for budgeting purposes, the annual authorization is \$193,700.

Under the proposed agreement, IBE Digital will continue providing a technical professional to supplement City staff in areas including help desk support, Microsoft 365 administration, network and server administration, cybersecurity, infrastructure support, and technology project implementation. This approach allows the City to access specialized technical expertise as needed, adjust service levels based on operational demands, and avoid the long-term costs and obligations associated with adding additional staffing.

FISCAL IMPACT:

The estimated annual cost of the agreement is \$193,700, inclusive of a 10% contingency. Funding for these services is included in the FY 2026-28 Information Technology General Fund budget and will continue to be requested through the City's biennial budget process. No additional General Fund appropriation is required at this time.

ALTERNATIVES:

1. Approve recommendation
2. Disapprove recommendation
3. Provide staff with further direction

Recommended by:	Alvaro Castellon, Director of Finance
Approved as to form:	Noel Tapia, City Attorney
Respectfully submitted:	Ernie Hernandez, City Manager

ATTACHMENTS:

1. Professional Services Agreement with I Copy, Inc. dba IBE Digital, Inc.
2. IBE Proposal

3. Resolution