

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PSC CASE # 2022-002: ELECTRONIC APPLICATION) Case No.
OF SOUTHERN WATER & SEWER DISTRICT FOR) 2022-002
APPROVAL OF AN I.T. SECURITY CONTRACT)
WITH TECHNOLOGY PROCESS MANAGEMENT)
PURSUANT TO KRS 287.300)

Response to PSC's First Request for Information

1. Refer to the Application, paragraph 9, State the Amount of the on-boarding fee that was waived.

ANSWER: \$5,000

- Answer provided by Jacob Puckett, Business Development Manager with United Systems and Software, Inc. and Jeff Harlan, Manager of Network Services with United Systems and Software, Inc.

2. State whether Southern District obtained proposals from providers of information technology (IT) services, other than United Systems & Software Inc. (United).

ANSWER: Southern did not consider other vendors due to the following:

Technology Process Management (TPM) is an affiliate of United Systems & Software Inc. Southern District has used United Systems & Software Inc's Customer Information System (CIS) since 2017. TPM was chosen because the District had used the affiliate software successfully for years and it was felt that this system/service would integrate seamlessly with the District.

The cost of these services and equipment was reviewed carefully. Chairman Jeff Prater, using his knowledge from his job with Big Sandy RECC, compared the

services and fees to the current cost of similar services provided to Big Sandy RECC.

Also, Commissioner Steve Dawson compared the services and fees to the services and costs for similar services provided to him as a private business owner. Both Board members found the cost of this service to be very fair and justified.

- Answer provided by Chairman Prater and Commissioner Steve Dawson

3. Refer to the Technology Process Management (TPM) Contract generally.

a. State how the initial term of 60 months was determined and agreed upon.

ANSWER: Southern negotiated a sixty (60) month term in order to spread the cost of the hardware over the expected useful life of the equipment. This arrangement reduced the monthly payment in order for Southern to better manage cash flow.

- Answer provided by Chairman Jeff Prater.

b. State who will own the computer hardware referenced in the contract, and who will retain the computer hardware at termination of the contract.

ANSWER: United Systems

- Answer provided by Jacob Puckett and Jeff Harlan.

c. Provide the fair market value of the “Alliance Server G5” and “Alliance Workstations” listed in the contract, and state whether the hardware, software, and setup listed is part of the waived onboarding fee referenced in Item 1 of this request

ANSWER: \$10,000. Not included in the waived fee.

- Answer Provided by Jacob Puckett and Jeff Harlan.

d. If the contract is terminated early by Southern District, state under what circumstances Southern District would be required to continue to remit the \$1,200 monthly charge for the remaining term, if any.

ANSWER: Yes, unless cancellation was for cause where United Systems did not carry out the service responsibilities within the agreement.

- Answer provided by Jacob Puckett & Jeff Harlan

e. State why it is necessary for Southern District to indemnify United, its employees, agents, representatives, directors, and shareholders from and against any and all claims based on software licensing violations, copyright infringement, trademark infringement and patent infringement arising from Southern District's use of services, software or hardware provided by United.

ANSWER: An example would be that United Systems requires indemnity should the district or district employee violate provision within a software license, copyright, patent, or trademark.

- Answer Provided by Jacob Puckett and Jeff Harlan.

4. Refer to Item (b), entitled "Severability" under "General Provisions" in the contract.

The contract states that if any term of provision of the Agreement is determined to be invalid or unenforceable; such determination shall not affect the validity or enforceability of the remaining terms and provisions of the contract. State whether Southern District would remain responsible for monthly charges for the remaining term under this scenario.

ANSWER: If an agreement provision is found, by law or regulation, to be invalid, the remaining provisions would remain including monthly charges for the balance of the

agreement term.

- Answer provided by Jacob Puckett & Jeff Harlan.

5. If Southern District determines that it does not plan to allow the agreement to renew automatically after the end of the agreement term, state how Southern District will affirmatively terminate the contract in accordance with the conditions set forth in the agreement.

ANSWER: Southern would provide 60 days written notice of their decision to not Renew.

- Answer provided by Jacob Puckett & Jeff Harlan.

6. Refer to the Application, Paragraph 6.

- a. Confirm that the entity with which Southern is contracting is United.

ANSWER: Yes, confirmed.

- Answer provided by Jacob Puckett & Jeff Harlan.

b. It is stated that “TPM” will be an intermediary between Southern District and Southern’s various IT vendors.

- i. Provide a listing of all IT vendors used by Southern District.

ANSWER: Windows, Microsoft Office Suite, Printer Networking, Phone system, VNC Telemetry Network, Office Back up, LAN local area network.

- Answer provided by Chairman Prater

ii. For each vendor provided in this response above state the services the vendor provides Southern District.

ANSWER:

Windows-assist with any issues with Windows Operating System.

Microsoft Office Suite-help resolving any issues with Word, Excel, etc.

Printer Networking-Support printing issues, set up configuration, assist with addition or deletion of new and old printers, assist with wireless printing

VNC Telemetry Network-support, monitor and assist Telemetry

Office Backup-offsite backup storage to ensure protection of data

Local Area Network (LAN) support and maintain connectivity with all Workstations.

- Answer provided by Chairman Prater

iii. Explain how the services provided by these IT vendors will impact the services provided by “TPM”

ANSWER: TPM will engage with other vendors on behalf of Southern to resolve any technical issues.

- Answer provided by Jacob Puckett & Jeff Harlan.

iv. Explain what type of issues Southern District anticipates for which it will need an intermediary with its IT vendors.

ANSWER: Technical issues that thwart our IT services including viruses, malware, Internet connection issues, etc.

- Answer provided by Chairman Prater.

7. Refer to the Application, Paragraph 9. Explain what is meant by the statement that “any monthly overage charges (if applicable) and hardware/software costs (if any) shall be billed to the District Monthly.”

ANSWER: If Southern were to add additional staff or offices resulting in additional hardware or software to maintain business. See attached.

- Answer provided by Jacob Puckett & Jeff Harlan.

a. Provide the location in the Contract that these possible charges are discussed and listed.

ANSWER: Page 13 lists the “not to exceed” amounts which are one (1) location and five (5) users. Any future overages would be quoted upon request and may vary due to availability and current market pricing. See attached.

- Answer provided by Jacob Puckett & Jeff Harlan.

b. Explain what is included in the monthly \$1,200 fee to be paid by Southern District to United.

ANSWER: See attached.

- Answer provided by Jacob Puckett & Jeff Harlan.

CERTIFICATIONS

These responses are true and accurate to the best of preparer’s knowledge, information and belief formed after reasonable inquiry.

Respectfully Submitted,

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