



Chad Bird

Decorah City Administrator

Benjamin D. Steines

WINNESHIEK COUNTY AUDITOR and Commissioner of Elections

201 WEST MAIN STREET DECORAH, IOWA 52101 (563) 382-5085
bsteines@co.winneshiek.ia.us

April 17, 2017

Mr. Bird,

At our meeting on April 11, 2017, we discussed expenses incurred by Winneshiek County for hardware and software utilized at the shared data center. The City of Decorah has had the benefit of using the shared data center since October of 2013. Since July of 2016 the County has discovered that the City was never billed for many of these expenses. The referenced meeting, which included Steve Smith, shared IT Director; Jon Lubke, County GIS Coordinator; Wanda Hemesath, City Clerk; yourself, and myself; I presented a reconciliation and billing invoices for the shared hardware, software, and consultant expenses. These expenses totaled \$114,919.35, of which we estimate based on usage, the City's share is \$45,967.74. My understanding of the City's position is that you do not intend to pay this portion.

In an effort to continue the sharing of equipment for the benefit of City and County taxpayers, the County is proposing a Hosting Services Agreement with the following terms:

1. A four year agreement between the entities with the City agreeing to pay \$1000/month base rate.
2. The City would pay 40% of any additional expenses such as hardware, software, licensing renewals, consulting expenses, and other expenses directly attributable to the function of the shared data center during the term of the four year Hosting Agreement.

If the City is not willing to enter such an agreement, the County would expect that all City data, functions, servers, etc. are removed from the County owned servers by June 1, 2017. The Board of Supervisors believes the City has received significant benefit from the past arrangement and has failed to contribute financially to the shared data center. Continuing the arrangement as is would not be fair to the taxpayers of rural Winneshiek County or of any of the other municipalities within the County.

These terms have been proposed by the County Board of Supervisors, and any negotiation of the terms will necessarily need to be approved by them.

Please respond by the close of business April 28th as to your intent to resolve this issue.

Thank you,

Benjamin D. Steines, Winneshiek County Auditor

Tony Clarke-Deputy

Lauri Kaeser-Deputy

Lynne Bullerman-Deputy