



Legislation Details (With Text)

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Title: Approve the award of Cooperative Procurement 22-177, VMWare Annual Maintenance Renewal, to Zones Inc. for an amount not to exceed \$114,484.50 and for a one-year term

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
6/7/2022	1	City Council	approved	

CITY COUNCIL AUTHORITY PROCUREMENT AWARDS

ACTION REQUESTED:

Approve the award of Cooperative Procurement 22-177, VMWare Annual Maintenance Renewal, to Zones Inc. for an amount not to exceed \$114,484.50 and for a one-year term

DEPARTMENT: Information Technology

SUBMITTED BY: Jacqueline Nguyen, Director

BACKGROUND:

The City has been using VMWare software since 2010 to create a virtual server structure for core services such as the automated metering infrastructure (AMI), meter data management, load control management, network management system, enterprise business applications, as well as other systems and applications required to deploy the Smart Grid Initiative.

Both the Electric Utility (Utility) and the Information Technology (IT) Department have standardized using VMWare for data center virtualization citywide. A virtualized infrastructure reduces capital costs by decreasing the number of physical servers and uses them more efficiently by running multiple virtual machines on the same piece of hardware. This also provides benefits to operating costs and resiliency.

DISCUSSION:

Both IT and the Utility have combined coverage into one account to ensure the core services remain active and costs are reduced. The Utility portion of the renewal is \$24,979, the IT portion of the renewal is \$89,505. The amount of this annual procurement has increased over time to where it now requires City Council level approval. This increase is driven by an increased number of virtual machines as the City migrates old, stand alone servers onto virtual machines on our HyperFlex computing platform.

Staff has identified an approved cooperative contract, ILDIT VMWARE SOFTWARE MASTER CONTRACT #DIT8050190, through Zones Inc. for the procurement of the VMWare Renewal. The contract will be from July 1, 2022 through June 30, 2023.

FISCAL IMPACT:

CIP#: N/A

Renewal cost for the VMWare Software service is expensed to the account numbers listed below. A combined total of \$57,558.36 was budgeted for this service, \$27,925.36 in the Electric Utility Fund and \$29,633 in the General Fund. The requested award exceeds the budget by \$56,926.14, however, staff has identified savings in other IT applications to accommodate the overage in the General Fund portion of the contract.

Staff will continue to monitor expenditures to ensure compliance within the budgetary guidelines.

Account Number	Fund Description	Total Budget Amount
16101100-531312	General Fund	\$2,949,022
40331300-531312	Electric Utility Fund	\$1,387,373