



City Council Report

Date: July 11, 2016
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: Purchase of Hardware and Software for the City's Annual Virtual Infrastructure Replacement Program **(Citywide)**

Purpose and Recommendation

Council is requested to approve the Purchase of Hardware and Software for the City's Annual Virtual Infrastructure Replacement Program as recommended.

The Information Technology Department and Purchasing recommend authorizing the purchase using the US Communities cooperative contract with Insight Public Sector, Inc. at \$519,432.58, plus a 10% project contingency at \$51,000.00, for the combined total award of \$570,432.58.

Background / Discussion

The City's Virtual Infrastructure cycle replacement program replaces aging servers and storage central to the delivery of core City services which are at end of vendor support and beginning to experience failures in hardware and in software compatibility. This procurement is FY2017's replacement program with funding available in Information Technology's Lifecycle Roadmap.

This year, aging servers and storage will be replaced for the City's virtualized server platform that supports our virtual cloud computing infrastructure. This purchase leverages the latest technology to keep pace as more of the City's applications move into cloud environments, and it takes into account the plans to move into a new datacenter by consolidating server and storage resources into a "hyper-converged" platform. As a result, this purchase represents in an overall 30% decrease in the size of the virtual server portion of the infrastructure and replaces equipment originally purchased for over \$1.2 million from FY2010 through FY2012. Additional server replacements in the City's database and other core services will be included.

The City's annual infrastructure replacement program funding is part of an overall strategy that combines both private and public cloud offerings and integration.

Using the cooperative contract offers the City benefits of high volume pricing for both purchases of hardware and software. Insight Public Sector, Inc. (hardware vendor selected) was the lowest bid of three cooperative contract vendors to provide the multiple server configurations needed.

Alternatives

Council may choose not to authorize the purchase.

Fiscal Impact

The total amount of \$570,432.58 is available in the Information Technology Department FY2017 Lifecycle Roadmap budget.

Coordinated With

Information Technology and Purchasing

PURCHASING INFORMATION

Action: One-Time Purchase Award

Contracting Agency: US Communities

Contracting Agency Contract Number: 4400006644

Mesa Contract Number: 2016283

AWARD RECOMMENDATION

Insight Public Sector, Inc.

Tempe, AZ

Description	
Cisco Server Hardware, Software, and Support per Contract No. 2016283, US Communities Contract 4400006644	
<u>Quote 217962561</u>	
Product Sub Total	\$173,806.18
Services Sub Total	\$36,806.40
8.1% Use Tax	<u>\$17,059.62</u>
Total	<u>\$227,672.20</u>
<u>Quote 217962572</u>	
Product Sub Total	\$233,023.57
Services Sub Total	\$5,426.40
8.1% Use Tax	<u>\$19,314.45</u>
Total	<u>\$257,764.42</u>
<u>Quote 217962672</u>	
Product Sub Total	\$25,073.25
Services Sub Total	\$6,375.15
8.1% Use Tax	<u>\$2,547.32</u>
Total	<u>\$33,995.72</u>
Quotes Sub Total	\$480,511.17
<u>8.1% Sales Tax</u>	<u>\$38,921.41</u>
Quotes Total	<u>\$519,432.58</u>
<u>10% Project Contingency</u>	<u>\$51,000.00</u>
<u>Combined Total</u>	<u>\$570,432.34</u>