



## Legislation Text

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**File #:** RES 18-0049, **Version:** 1

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Sanford Taylor, Information Technology Director  
Steve S. Charelian, Interim Finance Director  
Leilani Emnace, Information Systems Manager  
Gwen Eng, Purchasing Manager

**SUBJECT:**

Resolution No. 18-0049 Awarding RFP No. 1154-18 to Nth Generation Computing, Inc. for a Three-Year Contract for Network Server/Storage Hardware and Engineering Services with an Estimated Annual Value of Up to \$60,000 (Information Technology Director Taylor).

**ADOPT RESOLUTION NO. 18-0049 FOR NETWORK SERVER/STORAGE HARDWARE AND ENGINEERING SERVICES**

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**RECOMMENDATION:**

Staff recommends that the City Council adopt Resolution No. 18-0049 approving a three-year contract with Nth Generation Computing, Inc. to provide network server/storage hardware and engineering services with an estimated annual value of up to \$60,000, and authorize the City Manager to extend the term of the agreement for up to two additional one-year periods if deemed in the City's best interest.

**FISCAL IMPLICATIONS:**

Sufficient funds are included in the Information Technology Department's budget and will be included in future budgets. Estimated expenditures for network hardware under this contract are estimated at \$60,000 annually.

**BACKGROUND:**

Information Technology (IT) is responsible for maintaining the integrity of the City's network by providing a secure and stable environment for telecommunications, services and operations. The department plans, operates and supports the City's IT infrastructure enabling business services to be executed in an efficient, productive and secure manner.

As an integral part of the network, servers provide essential services enterprise-wide by hosting City applications, providing Internet access, storing files, delivering data and managing print services. In an effort to ease server management, reduce data center footprint, and reduce cost, IT has implemented server virtualization technology called VMWare, which provides cost-effective services by consolidating several physical servers into one host server. Currently, the City has 44 network

servers - 17 virtualized and 27 physical, which include three Virtual Machine Hosts (VMHosts). The existing server replacement cycle ensures that respective hardware remains an effective and reliable business resource and provides high availability and performance.

### **DISCUSSION:**

Servers and storage hardware, along with ancillary engineering services, have been purchased from a single vendor since 2011, awarded through a competitive bidding process. This has ensured correct hardware configuration to fulfill software requirements and high system performance, as well as reduction in server acquisition processing time. The selected vendor is responsible for providing specific configuration tailored to meet the IT Department fault tolerant requirements. This is a cost-effective and efficient methodology which saves time and resources, resulting in a high quality final product.

Proposals for a server/storage and engineering services multi-year contract were solicited twice, and advertised on the City's website and Bidsync, an on-line bidding portal. Because the first solicitation resulted in only one response, a second solicitation was generated; this resulted in two responses, however, only one was complete. Staff does not believe that further solicitations would result in additional proposals. As a result, staff recommends awarding a contract from the most recent solicitation.

The lone responsive bidder, Nth Generation Computing, Inc., has an extensive number of solution architects and systems engineers to meet the City's requirements. The awarded vendor receives special discounted pricing from Hewlett Packard, the manufacturer of the hardware upon which the City has standardized. The discount is 36% to 43% for servers and 48% to 55% for storage depending on model and configuration.

Staff recommends that the City Council adopt Resolution No. 18-0049 approving a three-year contract with Nth Generation Computing, Inc. for network server/storage hardware with an estimated annual value of up to \$60,000, and authorize the City Manager to extend the term of the agreement for up to two additional one-year periods if deemed in the City's best interest. The City may cancel the contract at any time without cause.

### **PUBLIC OUTREACH/INTEREST:**

This request for proposals was advertised on the City's website as well as BidSync, a public bid notification board.

### **ENVIRONMENTAL REVIEW**

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is necessary.

### **LEGAL REVIEW**

The agreement has been reviewed by the City Attorney and is approved as to form.

### **Attachments:**

1. Resolution No. 18-0049
2. Agreement - Nth Generation Computing, Inc.

### 3. Vendor comparison