



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 14, 2019

FROM: INNOVATION AND TECHNOLOGY DEPARTMENT WARDS: ALL

SUBJECT: MEASURE Z - AMENDMENT TO ADD NETAPP DATA STORAGE EQUIPMENT TO DATA CENTER HARDWARE MAINTENANCE AND WARRANTY SUPPORT AGREEMENT WITH PARK PLACE TECHNOLOGIES, LLC, FOR REMAINDER OF CONTRACT TERM, ENDING SEPTEMBER 14, 2019, IN THE AMOUNT OF \$13,831.90, FOR A TOTAL CONTRACT AMOUNT OF \$105,939.97; AND ADDITIONAL CHANGE ORDER AUTHORITY OF UP TO 10% OR \$10,594

ISSUES:

Approve an amendment to add NetApp data storage equipment to the existing Data Center Hardware Maintenance and Warranty Support Agreement with Park Place Technologies, LLC, for the remainder of the contract term, ending September 14, 2019, in the amount of \$13,831.90, for a total contract amount of \$105,939.97; and an additional change order authority of up to 10% (\$10,594) of the amended contract amount.

RECOMMENDATIONS:

That the City Council:

1. Approve an Amendment to add NetApp data storage equipment to the existing Data Center Hardware Maintenance and Warranty Support Agreement with Park Place Technologies, LLC, for the remainder of the contract term, ending September 14, 2019, in the amount of \$13,831.90, for a total contract amount of \$105,939.97;
2. Approve an additional change order authority of up to 10% of the amended total contract amount, or \$10,594; and
3. Authorize the City Manager, or designee, to execute the amendment, including making minor non-substantive changes, and change order documents.

BACKGROUND:

In April 2014, the Innovation and Technology Department (IT) purchased a NetApp FAS8040 Storage Area Network (SAN) solution, located at City Hall, and a backup NetApp FAS8020 SAN solution, located at the Emergency Operations Center (EOC). The FAS8000 platform provides industry leading data management capabilities for the City and fulfills the majority of the City's data and long-term storage needs. The system allows for sharing of computer resources, which

provides cost savings, enhanced security, simplified maintenance, and improved back-up for the City. The purchase also included warranty support for the NetApp hardware, which is set to expire on April 30, 2019.

As a general practice for technology equipment, once the warranty support has expired, IT evaluates whether it should renew the original manufacturer's support or whether a third-party support option will provide the quality of coverage needed and cost savings for the City. IT has determined that third-party support would be appropriate for the NetApp equipment.

The City has an existing third party Data Center Hardware Maintenance and Warranty Support Agreement with Park Place Technologies, LLC, which expires on September 14, 2019. City Council approved the agreement on September 18, 2018, in the amount of \$80,176.44, with 15% change order authority (\$12,026.47).

In March 2018, the City issued a Change Order to Park Place Technologies, in the amount of \$11,931.63, to add various servers and data center equipment to the agreement, for a total contract amount of \$92,108.07.

DISCUSSION:

The IT Department is requesting approval to add the NetApp equipment to the existing third-party maintenance and warranty support agreement with Park Place Technologies, LLC, upon expiration of NetApp's original manufacturer hardware warranty support. The cost to add the equipment for the period of May 1, 2019, through September 14, 2019, is \$13,831.90, for a total contract amount of \$105,939.97.

IT is also requesting an additional 10% Change Order authority (\$10,594) on the amended contract amount.

It is important that the Netapp data storage equipment be covered by a maintenance and warranty support agreement. Adding the equipment to the existing Data Center Hardware Maintenance and Warranty Support Agreement with Park Place Technologies is the most timely and cost effective way to protect the equipment at this time.

The existing Park Place Technologies agreement expires in September 2019, IT will work with the Purchasing Division to post a Request for Proposals for award of the next third-party support contract. The NetApp equipment will be included in that competitive procurement effort.

Purchasing Resolution No. 23256, Section 702(c) provides that competitive procurement through the informal and formal procurement process shall not be required when the procurement can only be obtained from a sole source or timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement have been negotiated. The Purchasing Manager concurs that the recommendation to amend the agreement is in compliance with Purchasing Resolution No. 23256, Section 702(c).

FISCAL IMPACT:

The total fiscal impact of the action is \$24,425.90 (amendment in the amount of \$13,831.90 and additional change order authority in the amount of \$10,594). The funds are available in the Measure Z Fund (Fund 110), Technology Replacement Program account number 2400009-

462310.

Prepared by: George Khalil, Chief Innovation Officer
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Lea Deesing, Assistant City Manger
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Amendment to Data Center Hardware Maintenance and Warranty Support Agreement
2. Agreement for Data Center Hardware Maintenance and Warranty Support