

# Agenda Report

February 22, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Department of Information Technology

**SUBJECT: AUTHORIZATION TO ENTER INTO A CONTRACT WITH IMPEX TECHNOLOGIES, INC. FOR STORAGE AREA NETWORK (SAN) HARDWARE AND IMPLEMENTATION SERVICES**

**RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3); and
2. Accept the bid dated January 26, 2016 submitted by IMPEX Technologies, Inc. in response to the specifications to furnish labor and materials for implementation of a Storage Area Network (SAN), reject all other bids received, and authorize the issuance of a contract with a total not-to-exceed amount of \$394,667. This contract will have a one-year term.

**BACKGROUND:**

The Department of Information Technology is responsible for citywide technical operations and support services of the server systems and data storage infrastructure that host many critical line of business applications including the Tyler Munis Enterprise Resource Planning (ERP) system, electronic records management, Geographic Information Systems (GIS) and the land management system databases. Central to many of these operations is a shared data storage environment, known as a storage area network (SAN), which provides highly available redundant storage services to multiple systems and applications at one time.

The current SAN was implemented in February 2012 as part of the Infrastructure Replacement Program, an outcome of the City's comprehensive Information Technology Strategic Plan (ITSP). Initially implemented as the core of the City's desktop replacement program, the SAN also provides support for additional systems and applications and holds ever-growing quantities of data. In four years the total

storage capacity has increased two-fold, growing from 66 terabytes (TB) to nearly 150 TB to accommodate the growth. The SAN now stores the majority of business critical applications and data across the enterprise and serves nearly every employee in the City. As a result of this growth, the current SAN will soon reach its maximum performance limits and total storage capacity.

A new SAN is necessary to maintain optimum performance of existing applications and systems to enable the City to continue to deploy new applications and services in a timely fashion. The added performance capabilities of the new SAN will add over six times the current SAN performance, support ongoing deployments of virtual desktops as part of DoIT's citywide Desktop Replacement Program, and improve database performance of core business applications such as the ERP and GIS systems. The new SAN will add 34 TB of storage capacity with capacity for expansion as necessary. Additionally, as performance-based storage workloads are moved to run only on the new SAN it is expected to extend the lifecycle on the existing SAN by as much as three years.

Given the importance of reliable storage to the City's computing systems, staff began researching storage solutions in the summer of 2015. Staff utilized research and analysis from Gartner, Inc., a leading information technology research and advisory company, to develop a list of storage products compatible with DoIT technology focus and strategy. Their efforts produced a short list of three products, which staff then researched in depth, including manufacturer demonstrations, hands-on evaluation and discussions with customers using the products. After thorough analysis, staff recommended one product, an all flash disk array from Pure Storage. With the assistance of the Finance Department, a bid specification for the desired product was published on January 21, 2016. It was also sent directly to five vendors who had previously provided similar equipment and services to DoIT, including two local Pasadena businesses.

The bid specification was downloaded by 35 vendors, including one of the two Pasadena businesses noted above, as well as one additional Pasadena business, and the following bid was received on February 2, 2016:

1. IMPEX Technologies, Inc. El Segundo, CA \$358,789.71

IMPEX Technologies, Inc. was the only responsive bidder and met all the requirements of the specification. Staff recommends authorization to enter into a contract with IMPEX Technologies, Inc. for the required SAN hardware and implementation services in an amount not to exceed \$394,667, which includes the base bid plus 10% for contingencies.

The proposed contract will have a one-year term, with an expectation that all work will be completed within four months. The contract value will be as follows:

Base Bid	\$358,789.71
Contingency Allowance (10%)	\$ 35,878.29
Total Not-to-Exceed Amount	<u>\$394,667.00</u>

Over the past four years, IMPEX Technologies, Inc. has provided services and materials to the City totaling over \$424,000. Approximately \$311,000 in purchases was for server systems and computer hardware as part of the DoIT Equipment Lifecycle Replacement, ERP, and Enterprise Content Management System projects. Impex was awarded these contracts for projects because they provided the lowest bid, or met or improved upon guaranteed pricing through government cooperative purchasing agreements. The remaining \$113,000 in purchases was for desktop deployment and implementation services as part of the Desktop Replacement Program in which they received the highest ranking through a competitive Request for Proposals (RFP) process.

The proposed contract complies with the Competitive Bidding and Purchasing Ordinance P.M.C.4.0.8 and the rules and regulations promulgated thereunder.

**COUNCIL POLICY CONSIDERATION:**

The proposed contract with IMPEX Technologies, Inc. promotes the City Council's goals to maintain fiscal responsibility and stability, and to improve, maintain and enhance public facilities and infrastructure by contributing to maintenance and operations of the City's IT systems infrastructure, a critical resource supporting ongoing City operations.

**ENVIRONMENTAL ANALYSIS:**

The proposed contract is exempt from CEQA per section 15061(b) (3), the General Rule. The General Rule can be applied when it can be seen with certainty that the activity will not have a significant effect on the environment. The proposed action is for computer equipment and services and will not result in any new development or physical changes.

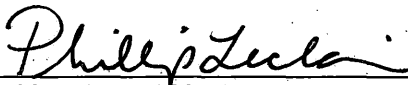
**FISCAL IMPACT:**

The total cost of this action will be \$394,667. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Capital Improvement Program Budget account number #71157(DoIT Equipment Lifecycle Replacement FY 2016 - 2019). It is anticipated that the full cost will be spent during the current fiscal year. There are no indirect or support costs anticipated within the first five years of SAN operation because of this contract.


The following table presents a summary of the sources of funds that will be used:

CIP #71157 - DoIT Equipment Lifecycle Replacement FY 2016 - 2019	\$394,667
<b>Total Sources</b>	<b>\$394,667</b>


Respectfully submitted,

  
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