

Agenda Report

January 26, 2026

TO: Honorable Mayor and City Council

FROM: Department of Information Technology

SUBJECT: AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH IMPEX TECHNOLOGIES, INC. FOR THE PURCHASE OF SERVER AND STORAGE EQUIPMENT AND SERVICES IN AN AMOUNT NOT TO EXCEED \$3,002,718

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the recommended actions are exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061 (b)(3), the "common sense" provision that CEQA only applies to projects that may have an effect on the environment;
2. Authorize the City Manager to enter into a contract without competitive bidding pursuant to City Charter Section 1002(H), contracts with other governmental entities or their contractors, with Impex Technologies, Inc. for the purchase of server and storage equipment, software, support, and professional services in an amount not-to-exceed \$3,002,718, which includes the base contract amount and a five percent contingency;
3. Grant the proposed contracts an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served; and
4. Authorize the City Manager to approve no-cost amendments to the subject contract including durational extensions and necessary change orders.

BACKGROUND:

The Department of Information Technology (DoIT) manages the core technology infrastructure that supports City operations across all departments. A key component of this infrastructure is the server and hosting environment, which has been standardized on the Nutanix platform since 2018.

Nutanix technology provides hyperconverged infrastructure (HCI) industry-leading solution that combines servers, data storage, networking and software into a single centralized system. The platform is deployed across all City data centers and supports many of the critical applications and systems that City staff and the public rely on to deliver essential services to the community, including key services such as public safety, utilities, permitting, traffic management, and online services.

Over the past seven years, the City has continued to invest in Nutanix because it is dependable, secure, and scalable as the City's needs grow. By consolidating infrastructure into one unified system, Nutanix simplifies operations, lowers costs, reduces the risk of service interruptions and security breaches, expedites recovery during emergencies, and allows staff to quickly respond to any issues. Continuing to invest in this proven system helps keep essential 24/7/365 City services stable, efficient, and ready to support the community every day.

Several of the City's existing Nutanix systems are reaching the end of their useful life and need to be replaced to remain reliable and secure. This effort includes upgrading three systems and expanding capacity to support the City's continued growth, particularly for security and access systems and the increasing number of cameras being added across parks and City facilities. Upgrading and expanding to the latest Nutanix infrastructure ensures these systems continue to operate safely, effectively, and without interruption, while providing scalability and flexibility to support growing demands for data, security systems, and connected devices. This approach provides a stable and reliable foundation for future technology needs and helps the City adapt to evolving requirements without disruption to essential services.

To this end, staff recommends leveraging government contract# 47QSWA18D008F between the United States General Services Administration (GSA) and Carahsoft Technology Corporation, under which, Impex Technologies, Inc. (Impex) is an authorized reseller for the purchase of Nutanix systems. GSA provides centralized procurement for the federal government and their Multiple Award Schedule (MAS) contracts are competitively bid, allowing state, local, and tribal governments to purchase IT, security, and law enforcement products and services at the lowest prices available. The contract went into effect August 22, 2018, and will expire on August 21, 2028. Utilizing this contract ensures competitive pricing already established through a public agency bid, avoids duplicative procurement efforts, and reduces lead times and administrative costs.

Based on this, staff recommends authorization to enter a contract with Impex Technologies, Inc. for an amount not to exceed \$3,002,718. The cost includes all equipment, software, support for five years, and professional services, as well as a five percent contingency allowance.

The proposed contract would be set up as follows:

| | |
|--|-------------------|
| Hardware | \$ 932,491 |
| Hardware Support – 5 Years | \$ 151,113 |
| Software Maintenance & Support – 5 Years | \$1,743,127 |
| Professional Services | \$ 33,000 |
| Contingency Allowance (5%) | <u>\$ 142,987</u> |
| Contract "Not To Exceed" Amount | \$3,002,718 |

This project is expected to be completed within twelve months.

Impex, headquartered in El Segundo, California, is an authorized reseller of Nutanix products and services, and as such, offers preferential pricing to the City through a direct relationship with the manufacturer. Because of this pricing advantage, Impex has consistently been the lowest cost or sole responsible bidder in multiple formal and informal bids since 2015. Two contracts for additional Nutanix infrastructure were previously approved by City Council in December 2024 and January 2025 through a formal, competitive bid process. Currently, one of those contracts is open.

COUNCIL POLICY CONSIDERATION:

The proposed contract is consistent with the City Council's goals to maintain fiscal responsibility and stability.

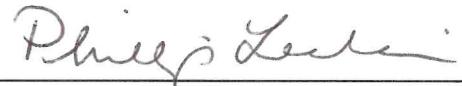
ENVIRONMENTAL ANALYSIS:

The proposed contract is exempt from the CEQA per section 15061 (b) (3), the "common sense" provision of CEQA (formerly the general rule), which applies to projects which may have the potential for causing a significant effect on the environment. The proposed action will not result in any new development or physical changes.

FISCAL IMPACT:

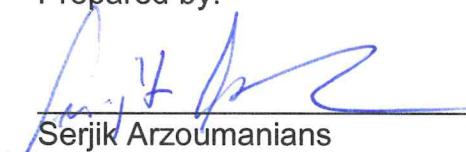
The maximum cost of this action will be \$3,002,718. Funding for this action will be addressed by the utilization of existing budgeted appropriations in Capital Improvement Program project #71171 (DoIT Equipment Lifecycle Replacement FY 2025- FY 2029). It is anticipated that approximately \$1,400,000 will be spent in FY 2026. The remainder will be spent in FY 2027. There are no indirect or support costs anticipated as a result of this contract.

Respectfully submitted,



PHILLIP LECLAIR
Chief Information Officer
Department of Information Technology

Prepared by:



Serjik Arzoumanians
Assistant Chief Information Officer
Department of Information Technology

Approved by:


MIGUEL MÁRQUEZ
City Manager

Attachment A – Taxpayer Protection Amendment