



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: December 10, 2019

DATE: Thursday, December 05, 2019

TO: Board of County Commissioners

FROM: Kobe Harkins, IT Manager, Technology Services Department
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THROUGH: Craig Betts, Chief Information Officer, Technology Services Department

SUBJECT: Recommendation to approve sole source purchase of a three-year Enterprise Licensing Agreement for VMware software from Dell, Inc. at a total three-year cost of [\$645,371.51]; with \$335,593.19 due in FY 2019-2020, \$154,889.16 due in FY 2020-2021, and \$154,889.16 due in FY 2021-2022. (All Commission Districts.)

SUMMARY

Technology Services recommends approval of a new Enterprise Licensing Agreement (ELA) for VMWare Software which will discount the software maintenance on the County's existing VMWare products and will provide the additional software licenses needed for the implementation of the disaster recovery site at the Switch data center. The three-year ELA contract cost is \$645,371.51 with \$335,593.19 due in FY 2019-2020 for current maintenance and new licensing; \$154,889.16 due in FY 2020-2021, and \$154,889.16 due in FY 2021-2022 for continued software maintenance.

Washoe County Strategic Objective supported by this item: Safe, Secure and Healthy Communities

PREVIOUS ACTION

June 25, 2019, Board of County Commissioners approved sole source purchases of computer network equipment, servers, data storage, personal computers, and printers from Dell, Inc. for FY 2019-2020.

May 21, 2019, Board of County Commissioners approved the Final Budget for Fiscal Year 2020.

May 21, 2019, Board of County Commissioners approved the County Manager's recommended Capital Improvement Plan for Fiscal Years 2020-2024.

BACKGROUND

Washoe County currently uses several software products from VMware which are currently renewed annually for software maintenance on three separate software agreements. Additional software licenses are needed from VMWare for the

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implementation of a new disaster recovery site at the Switch data center. By combining and co-terming the three current software agreements into one, three-year contract the County will receive discounted pricing. The current three separate VMware software agreements cost a combined \$150,464.20 per year and will decrease to approximately \$114,256.17 under this new contract. Additional software licensing for the new disaster recovery site are applied similar discount levels and comprise the rest of the costs.

FY 2019-2020 costs will be \$335,593.19, with approximately \$114,256.17 for the FY 2019-2020 renewal of the County's existing VMWare software and the remainder of the cost being for the new licensing. FY 2020-2021 will be \$154,889.16 and FY 2021-2022 will be \$154,889.16 for the combined annual renewals of both the existing and new VMWare licenses. Future years will be up for renegotiation of pricing at the end of FY 2021-2022, based on evolving County needs and technological changes.

Washoe County has standardized on Dell for servers and data storage; however, for the equipment needed for new County disaster recovery site Technology Services reviewed proposals from competing vendors. At the end of this review process, Dell was selected to continue to be the County's standard vendor for servers and storage including the new data center site. The proposals from each vendor were complete product including the necessary software licensing and the VMWare ELA was included in the proposal from Dell. Before this contract, the VMWare licensing and maintenance was procured through contracts with CDW-G and will now be contracted through Dell for these next three years.

Pursuant to NRS 332.115, computer hardware and software are exempt from competitive bidding requirements.

FISCAL IMPACT

The Fiscal Year 2019-2020 Budget has sufficient budget authority for proposed expenditures. Existing VMWare software license maintenance renewals are planned for within the Technology Services Department Fund (108), in Tech. Services Administration (108100), Software Maintenance (710210).

Budget authority for the Disaster Recovery Site at Switch and for the purchase of the new VMWare software licensing resides in the Tech. Services – Administration Capital Improvements Fund (402-21), in Disaster Recovery Site at Switch (PW920221).

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the sole source purchase of a three-year Enterprise Licensing Agreement for VMware software from Dell, Inc. at a total three-year cost of [\$645,371.51]; with \$335,593.19 due in FY 2019-2020, \$154,889.16 due in FY 2020-2021, and \$154,889.16 due in FY 2021-2022.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be to "Move to approve the sole source purchase of a three-year Enterprise Licensing Agreement for VMware software from Dell, Inc. at a cost of [\$645,371.51]; with \$335,593.19 due in FY 2019-2020, \$154,889.16 due in FY 2020-2021, and \$154,889.16 due in FY 2021-2022."