

**REPORT TO THE
CITY COUNCIL**
City of Salinas, California

DATE: September 9, 2014

FROM: Matt N. Pressey, CPA, Finance Director

BY: Gina Moore, Acting Information Systems Manager

SUBJECT: **PURCHASE OF TEGILE HYBRID STORAGE SOLUTION**

RECOMMENDATION:

Staff recommends that the City Council adopt a **RESOLUTION** authorizing the Purchasing Agent to direct purchase a Tegile Hybrid Storage Solution from Howard Technology Solutions, at a cost of \$93,501.58.

DISCUSSION:

Three years ago, Information Systems began a City-wide desktop virtualization project utilizing existing servers and storage. Both Fire and Police conversions from physical PCs running Windows 2000 to Windows 7 running on virtual desktops were successful. However, after converting the Permit Center desktops, it became obvious that our existing storage was reaching the maximum number of desktops it could support.

In July of this year, we were forced to convert the Library physical desktops running Windows XP to virtual desktops running Windows 7 and the storage has now become so overloaded that it has begun to affect users' ability to do their work in a timely manner, affecting not only productivity but morale as well. In addition, we are now faced with the task of replacing the existing physical desktops running Windows Vista at City Hall because the physical hardware is at end of life. In order to do so, we absolutely must have a faster storage solution.

After a study of hybrid storage solutions designed specifically to offer the best performance for virtual desktop and server environments, we felt that Tegile provided the best solution at the best price.

Per Salinas Municipal Code Section 12-27.1 (local preference ordinance), the City sought but was unable to find a local reseller of Tegile equipment. Howard Technology Solutions has a Western States Contracting Alliance - National Association of State Procurement Officials (WSCA-NASPO) contract for Tegile equipment. WSCA-NASPO is a unified, nationally-focused cooperative purchasing program. All authorized governmental entities in any state are allowed to use WSCA-NASPO cooperative contracts.

Because of the WSCA-NASPO contract, staff recommends the direct purchase of the Tegile equipment from Howard Technology Solutions. The City is not required to let this purchase out to competitive

bidding. This purchase falls within the enumerated exceptions to the competitive bid process, where competitive bidding is not required for the purchase of goods or services which are being purchased through cooperative purchasing with other governmental entities, including the State of California (section 12-25), as here the proposed purchase will be made through a cooperative purchasing program. The City Council also has authority under section 12-27 to purchase goods or services without notice, advertisement or competitive bidding.

ISSUE:

Shall the City Council adopt a Resolution authorizing the direct purchase of a Tegile Hybrid Storage Solution from Howard Technology Solutions, at a cost of \$93,501.58?

FISCAL IMPACT:

The department intends to purchase the equipment in part with \$46,000.00 from Measure V one-time carry-over allocation suggested by the Measure V Oversight Committee, which is still awaiting Council approval, with the remainder to be paid from an existing desktop virtualization CIP. If, however, Council elects to authorize the Measure V carry-over allocations differently than staff's recommendations, the purchase will be funded entirely from the existing desktop virtualization CIP. Using \$46,000 of CIP funds rather than Measure V funds would in turn delay the completion of the desktop virtualization project.

ALTERNATIVES/IMPLICATIONS:

Disapprove the direct purchase from Howard Technology Solutions and conduct a formal bid. This option will bring the desktop virtualization project to a halt, and leave staff currently using the systems with an extremely frustrating work experience.

CITY COUNCIL GOALS:

Continuation of the desktop and server virtualization project supports the Council's goal of improving organizational efficiency and effectiveness.

CONCLUSIONS:

Staff recommends that Council adopt a Resolution authorizing the direct purchase of a Tegile hybrid storage system from Howard Technology Solutions at a cost of \$93,501.58.

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