



TO: Board of Contracts and Awards
FROM: Jack Kelanic, Information Technology Director *JK*
 Kipling Morris, Supervisor, Information Technology
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
 Chuck Blankenship, Finance/Purchasing
SUBJECT: Converged Infrastructure and Private Cloud
 Request for Proposals Specification No.: IT14-0402F – October 14, 2014
DATE: September 30, 2014

SUMMARY:

The Information Technology Department recommends a contract be awarded to 3MD Inc., dba Denali Advanced Integration, Redmond, WA for purchase of hardware, software, software licensing and professional services to implement a Private Cloud and Converged Infrastructure solution. The contract effective date will be from the date of signing through December 31, 2015 unless extended by mutual agreement by both parties in writing. The contract amount reflects a total award of \$2,210,803.60, plus a \$50,000 contingency, for a cumulative amount of \$2,260,803.60, including applicable sales tax.

STRATEGIC POLICY PRIORITY:

- Strengthen and maintain a strong fiscal management position.
- Encourage and promote an open, effective, results-oriented organization.

This project updates, expands and improves City of Tacoma server and storage infrastructure.

BACKGROUND:

ISSUE: The City of Tacoma core systems infrastructure is comprised of two data centers, each hosting server, network and data storage components. A number of these are nearing end of life / end of support and are due for replacement. Rather than pursue individual refresh initiatives, the City seeks to evolve its infrastructure by consolidating environments and standardizing on common solutions wherever practical.

The Private Cloud and Converged Infrastructure project will replace end of life data storage, server and backup systems with a converged, high performance, multi-site, replicated solution unified under a single storage management solution and private cloud architecture.

ALTERNATIVES: While continuing the practice of maintaining separate storage systems and replacing individual servers is possible, it would not be cost efficient to do so nor would it allow the City to leverage the additional functionality and efficiencies which will be achieved by the project.

COMPETITIVE SOLICITATION: Request for Proposals Specification No. IT14-0402F was opened July 29th, 2014. Seven companies were invited to bid in addition to normal advertising of the project. Five submittals were received.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Rank</u>
3MD Inc., dba Denali Advanced Integration	Redmond, WA	1
Sirius Computer Solutions	San Antonio, TX	2
Ivoxy	Kirkland, WA	3
Zones, Inc.	Auburn, WA	4
General Microsystems, Inc.	Bellevue, WA	5



Pre-bid Estimate: 2,300,000.00

The recommended award is 1.7 percent below the pre-bid estimate.

CONTRACT HISTORY: New Contract

SUSTAINABILITY: Consolidation of servers and storage systems will reduce consumption of electricity, as well as, reduce the need for cooling in the City of Tacoma’s datacenters. Denali Advanced Integration states in the proposal that the company has a focused commitment to sustainability and associated recycle programs throughout their operations and facilities.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Information Technology Department recommends approval for the purchase of the hardware, software and professional services required to implement the Converged Infrastructure and Private Cloud as proposed by 3MD Inc., dba Denali Advanced Integration for \$2,260,803.60, including sales tax.

FISCAL IMPACT:

EXPENDITURES:

BIENNIUM	FUND NUMBER & FUND NAME	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
2013-2014	Information Systems Fund 5800	ISY-00132-07	Various	\$1,523,045.60
2015-2016	Information Systems Fund 5800	ISY-00132-07	Various	\$737,758.01
	TOTAL			\$2,260,803.60

REVENUES:

BIENNIUM	FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
2013-2014	Information Systems Fund 5800	596000	5950289	\$1,523,045.60
2015-2016	Information Systems Fund 5800	596000	5950289	\$737,758.01
	TOTAL			\$2,260,803.60

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Current biennial request of \$1,523,045.60 is available and appropriated within Information Services Fund 5800.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Funds for this contract in the amount of \$1,523,045.60 are budgeted and available in the 2013-2014 Biennial Budget. Funding request beyond the current biennium are included in the 2015-2016 biennial request and are dependent upon adoption of the 2015-2016 biennial budget.

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

Request for funding beyond the current biennium are included in the 2015-2016 biennial request and are dependent upon adoption of the 2015-2016 biennial budget.

FINANCE PURCHASING
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