AGENDA ITEM SUMMARY

District Impacted

☐ 1 = Wolosin
☐ 2 = Woolard
☐ 3 = Scott
☐ 4 = Fowler
☐ 5 = Macaluso
X All

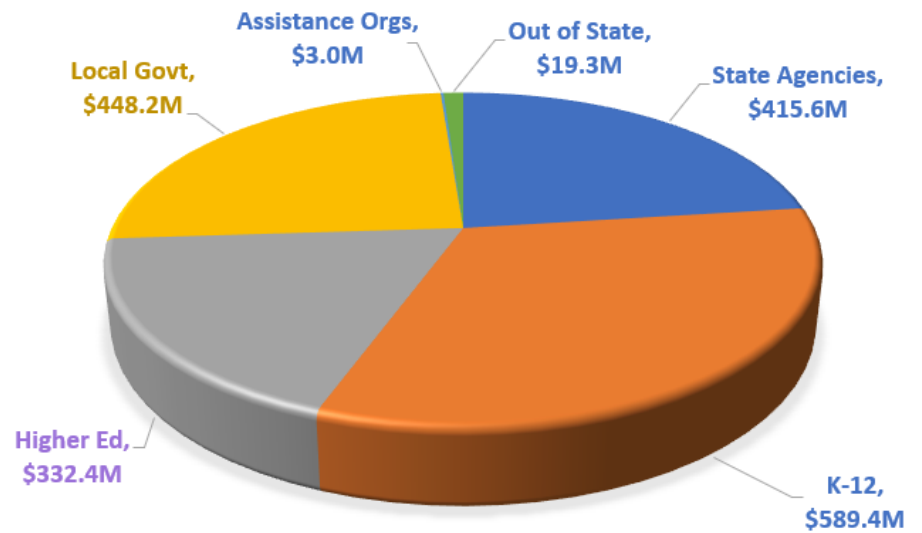**City of Boerne**

AGENDA DATE	*May 28, 2019*
DESCRIPTION	CONSIDER RESOLUTION NO. 2019-R47; A RESOLUTION AUTHORIZING THE CITY MANAGER TO PROCEED WITH PURCHASES AS PER SECTION 6.08 OF THE CITY OF BOERNE'S HOME RULE CHARTER. *(Servers for the new City Hall)*
STAFF'S RECOMMENDED ACTION (be specific)	Approve Resolution No. 2019-R47; Authorizing the purchase of replacement servers from Cloudistics Inc. for new City Hall for a total not to exceed $60,602.00.
CONTACT PERSON	Mike Raute, IT Director
SUMMARY	As the City has grown, so has the need for increased server capacity. Our current City Hall servers consist of 13 hardware servers, three of which are vendor proprietary "appliances". Three of the servers are virtual machine hosts, that currently host 20 virtual servers and use a piecemeal set of software that works and has been reliable, however requires a lot of staff time to keep configured and running. This software that we have pieced together has a $5,000 annual software maintenance price tag budgeted each year along with approximately another $1,000 annually for our virtual server backup software, and also requires periodic maintenance by staff. In addition to those three servers, we have an additional 7 hardware servers we use to run different applications for the city.

We are unable to convert them to virtual machines currently due to either capacity or technical constraints. This setup was the Information Technology department's first foray into the world of virtual machines. Over the past five years, our need for virtual machines has outstripped our initial estimates and we have added more ram(memory) and hard drives for storage to keep up with demand. As our servers reach their natural end of life, (Our current servers will be reaching end of life at the end of 2019), the IT Department began looking for expandable solutions to replace our existing configuration, add to the servers at the library and getting a matching system at the police department (slated for the FY 2019 – 2020 year budget). This would create physical redundancy for the network and allow us to continue operating if something were to happen to either City Hall or the Police Department. Longer term, if another municipality purchased a similar system, we could, through an inter-local agreement link their system to ours and have a disaster recovery plan that spans outside of our city limits.

We recently examined a product by a company called Cloudistics. A "private cloud" solution that replaces traditional virtual machine hosts with |

	an all in one solution that simplifies management and deployment of virtual machines. A "private cloud" is that having on-site preconfigured servers, storage, and networking equipment that would allow us to easily and quickly bring online virtual machines. Currently, if we wanted to create a new virtual machine, it would require confirming we have the capacity for it, configuring a blank virtual machine, then installing the operating system before we can use it.

Cloudistics handles all the technical details of creating a virtual machine. You simply select what operating system you want, and it creates the virtual machine for you. The other benefit is that it also handles backing up the virtual machines, which currently for us is an additional step. Since their solution is remotely monitored and maintained, we do not have to worry about maintenance windows and downtime to keep the equipment running and up to date. We also plan on consolidating six of the remaining servers onto the Cloudistics platform, this would reduce having to maintain our three appliances and one additional server and will save us time and money moving forward as it reduces our current server count of eight, and which require individual monthly maintenance (Windows updates, BIOS, drivers, etc.), annual software license costs, and annual hardware maintenance cost, to a unified stack which Cloudistics maintains. We will only have to maintain the virtual machines that run our city software for billing, file sharing, permitting, etc. and no longer spend time maintaining the underlying equipment. This solution also replaces our current backup and disaster recovery system further reducing cost and man hours having to additionally maintain those systems.

The Cloudistics solution will also improve the City of Boerne's cyber security, by protecting the network from a data attack, unauthorized access and damage. The file system that is used with the Cloudistics platform is one that resists attacks from ransomware and is also compliant with *HIPPA, PCI and CJIS. It also allows for better monitoring of an attack from hackers that would want to steal or destroy data on City of Boerne servers and/or storage devices.

The Cloudistics solution would be a great benefit to the City of Boerne as it would not only reduce the amount of afterhours (I.e. overtime) maintenance required, but also improve quality of service and provide us with a disaster recovery solution that extends beyond our city limits.

*HIPPA – Health Insurance Portability and Accountability Act.
*PCI – Payment Card Industry data security standards.
*CJIS – Criminal Justice Information Services Security Policy |
| **COST** | Not to exceed $60,602.00 |

SOURCE OF FUNDS	Budgeted Item for FY 2018-2019
ADDITIONAL INFORMATION	The MSRP for this solution is $213,400.00. We have not only leveraged the Texas DIR contract on the Dell Servers in the hardware portion, we also have worked a deal with Cloudistics, where the City of Boerne IT Department will promote Cloudistics through our affiliations in our IT association (TAGITM – Texas Association of Governmental Information Technology Managers). The IT department will also be available for demonstrations to other surrounding cities that would be interested in this solution.
	IT verified prices through the Texas Department of Information Resources, making it unnecessary to go through the quote process per Texas State law. When you purchase through TX DIR, you have the bulk buying power of the State of Texas on your side, which means that eligible customers can buy IT products and services at aggressive discounts without the need for a lengthy procurement process. All DIR contracts comply with state purchasing requirements. We will be using Dell Servers which are on the Texas DIR contract and the solution being provided by Cloudistics is sole sourced, thus making the Cloudistics solution a proprietary purchase.
	Texas DIR – Department of Information Resources has already performed all state of Texas competitive procurement requirements. You no longer have to prepare competitive solicitations or evaluate responses, since we have completed that work for you. TGC 054.0565 (b) states that Cooperative Contracts meets the competitive requirements for all governmental entities.
	*Sole source procurement - can be defined as any contract entered into without a competitive process, based on a justification that only one known **source** exists or that only one single supplier can fulfill the requirements such as software, i.e. Microsoft, Adobe, Etc.*

Fiscal Year 2018 Cooperative Contract Purchases by Entity

FY 18 SALES BY CHANNEL

Assistance Orgs, $3.0M

Out of State, $19.3M

Local Govt, $448.2M

State Agencies, $415.6M

Higher Ed, $332.4M

K-12, $589.4M

- **State Agencies ($415.6M) – 23%**
- **K-12 ($589.4M) – 32.6%**
- **Higher Education ($332.4M) – 18.4%**
- **Local Government ($448.2M) – 24.8%**
- **Out of State ($19.3M) – 1.1%**
- **Assistance Organizations $3M – Less than 1%**

This summary is not meant to be all inclusive. Supporting documentation is attached.