



AGENDA ITEM ANALYSIS

Project/Issue Name: 20-R-53 A Resolution of the City Council of the City of Republic, Missouri, Awarding the Bid for the Server Hardware and Licensing Upgrade.

Submitted By: Josh Jones, Information Systems Director

Date: December 8, 2020

Issue Statement

To award the bid for server hardware and licensing for replacement of aging, unsupported server equipment.

Discussion and/or Analysis

The City of Republic solicited sealed bids for server hardware and licensing to replace existing aging infrastructure that is no longer supported by the manufacturer. Though many vendors were contacted with invitation to bid the project, only two bids were submitted. The summary is shown below:

Bid Summary - Server Hardware and Licensing Upgrade			
Company Name	Base Bid	Optional Service Agreement	Total
Pearson Kelly	\$ 51,230.04	-	\$ 51,230.04
Dell Technologies, Inc.	\$ 32,414.32	-	\$ 32,414.32

Our current environment includes 3 physical servers operating in a combined state (cluster), sharing physical resources across the machines as needed to support the 20 virtual servers residing on them. A server's average life span is said to be 3 to 5 years, which we are well past. Additionally, 50% of our virtual servers possess operating systems no longer supported by Microsoft and do not receive software updates or security patches, adding vulnerability to the city. The combination of dated physical and virtual servers necessitate this upgrade to provide optimal technology services to the City.



The project included minimum requirements outlined in the Invitation for Bid document. Some extended licensing and support component purchases will likely be requested later in addition to the awarded bid. These purchases will complete all requirements for the upgrade and will add to the total as shown below.

Additional Purchases	
Software Assurance	\$5500
Upgraded 5 Year Dell Pro Support	\$2700
Device CAL's	\$1150
Total:	\$9350

A small portion of this project (\$10,000 for some operating system upgrades) was included in the original 2020 budget, later removed with the implementation of the COVID19 financial sustainability plan. With favorable sales tax revenues and various other savings seen across the City this year, funds have been identified as available for the entire project. Implementation of the purchase will be completed by IT staff and third-party IT partner, Pearson Kelly, as covered in our service agreement.

Among the two bids submitted, only one met minimum requirements specified in the invitation. A third bid from CDW was received just after the bid opening, immediately disqualifying it from consideration. Though Dell's bid came in the lowest, it did not meet minimum licensing requirements specified in the IFB. Dell's bid included Microsoft Windows Server 2019 licensing for 3 physical servers but did not include licensing for the 23-25 virtual servers mentioned in the requirements. The additional licensing purchases that would be required for this would bring the project total equal to or higher than the other bid total price. Pearson Kelly's submission does meet the minimum hardware and licensing requirements specified in the IFB, as they chose to bid a different license that allows for unlimited virtual servers per physical server.

Recommended Action

Staff is recommending the approval of this resolution awarding the bid to Pearson Kelly in the amount of \$51,230.04. The bid includes a clear and concise proposal addressing all needs in the invitation, demonstrating a complete response with a competitive price.