



AGENDA REPORT

City Council Meeting

TODAY'S DATE: May 5, 2026

MEETING DATE: May 20, 2026

TO: MAYOR AND CITY COUNCIL

FROM: Cheryl Hughes, Central Services Director

SUBJECT: Purchase Order #26-1788 to CompuNet Inc. for Enterprise Storage Replacement Project

DESCRIPTION/BACKGROUND:

The City's current storage system reached end-of-life in 2024 and presents risk due to limited capacity, lack of scalability, and supportability. Cloud alternatives exceed \$15,000/month. Recommendation is to adopt a new scalable storage solution.

The current challenges are the end of life storage infrastructure we currently have, storage capability shortages, no scalability with our current storage, and increased operational and cybersecurity risk.

IT staff evaluated Cloud versus on-premises solutions and replicating current services on Cloud would exceed \$15,000 per month, making it financially unfeasible at this time.

The City, along with all organizations and agencies nationally, are seeing rising costs due to chip shortages and global conflicts, which have increased IT infrastructure pricing and lead times.

In the FY 26 budget, budget of \$125,000 included City network server replacements as well as the storage area network. After a complete evaluation by the very experienced IT Manager, it was determined that the server replacements are needed but need to be deferred to a future phase in order to remain fiscally responsible. The priority is the Enterprise Storage replacement. This project will deploy new storage architecture to enable scalable, non-disruptive upgrades, which will eliminate future work stoppage (downtime) upgrades to our limited system and provides for scalable growth, which is essential for our ever changing environment in this organization and in changes in technology. This will also provide predictable costs going forward and improve our cybersecurity.

Pursuant to Idaho Code 74-107 – Records exempt from disclosure — Trade secrets, production records, appraisals, bids, proprietary information, tax commission, unclaimed property, petroleum clean water trust fund. The following records are exempt from disclosure:

IC 74-107(15) states that “computer programs developed or purchased by or for any public agency for its own use. As used in this subsection, “computer program” means a series of instructions or statements which permit the functioning of a computer system in a manner designed to provide storage, retrieval and manipulation of data from the computer system, and any associated documentation and source material that explain how to operate the computer program”.

This staff report and the Purchase Order only provide general information due to the cybersecurity risk.

STAFF RECOMMENDATION:

Staff recommends City Council consider approval of Purchase Order No. 26-1788 to CompuNet Inc for the Enterprise Storage Replacement Project in the amount of \$127,800.16.

ACTION:

City Council approval of Purchase Order No. 26-1788 to CompuNet Inc for the Enterprise Storage Replacement Project in the amount of \$127,800.16.

WILL THERE BE ANY FINANCIAL IMPACT? Yes **HAS THIS ITEM BEEN BUDGETED? Yes**, funds are available within the Information Technology budget for the overage of \$2,800.16 within FY 26 budget for the capital project.

ATTACHMENTS:

1. Proposed Resolution
2. PO 26-1788 to CompuNet Inc