



## Legislation Details (With Text)

**File #:** 1850-2011      **Version:** 1

**Type:** Ordinance      **Status:** Passed

**File created:** 10/20/2011      **In control:** Administration Committee

**On agenda:** 11/14/2011      **Final action:** 11/16/2011

**Title:** To authorize the Director of the Department of Technology to modify an agreement with OARnet/OSU, for VMWare software upgrades, maintenance and support services; to waive the competitive bidding provisions of Columbus City Codes; to authorize the expenditure of \$19,547.71 from the Department of Technology, Information Services Division, internal service fund; and to declare an emergency. (\$19,547.71)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. ORD 1850-2011 QUOTE, 2. ORD 1850-2011OARnet BW

Date	Ver.	Action By	Action	Result
11/16/2011	1	CITY CLERK	Attest	
11/15/2011	1	MAYOR	Signed	
11/14/2011	1	COUNCIL PRESIDENT	Signed	
11/14/2011	1	Columbus City Council	Approved	Pass

**BACKGROUND:**

This legislation authorizes the Director of the Department of Technology (DoT), to modify an agreement with OARnet/OSU, a non-profit organization, for VMWare software upgrades, maintenance and support services. The original agreement (EL011737) was authorized by ordinance 1716-2010, passed by Columbus City Council December 13, 2010. This ordinance will modify the agreement with OARnet to upgrade and incorporate VMWare software originally purchased from Software House International, as authorized by ordinance 1680-2008 (purchase order FL004201). The original purchase provided for software maintenance and support services through December 23, 2011 for an older version of VMWare software. This modification will allow upgrades to the latest version of VMWare, and provide maintenance and support for the period December 24, 2011 to December 23, 2012, at a cost of \$19,547.71.

The total cost of this modification includes \$7,373.86 for software upgrades and \$12,173.85 for an additional year of maintenance and support. As maintenance and support is expiring for the VMWare software purchased in 2008 and newer versions of VMWare have become available, this modification is needed to ensure continued maintenance and support. While the need for continued maintenance and support was known when the original agreement with OARnet was executed in 2010, the cost of incorporating VMWare purchased in 2008 was not known. Through the State of Ohio Virtualization Program, OARnet offers significant discounts on VMWare that are not available in the market place. So it is in the City's best interests to procure VMWare through OARnet, instead of through another procurement process. The pricing offered the City reflects the agreed upon public sector discounts available to all participants in the State of Ohio Virtualization Program.

VMWare software is needed in order to operate virtual servers. Server virtualization has been adopted by the Department of Technology to reduce the costs of data systems, reduce power consumption and cooling requirements, and provide further capabilities for recovery and availability of information systems. The initial phase of the virtualization project was completed in 2009. The project is ongoing, and will allow the Department of Technology to further reduce costs of

software licensing and hardware purchases, and realize power consumption savings.

This ordinance also requests to waive the competitive bidding provisions in accordance with section 329 of the Columbus City Code. This purchase with OARnet is from the State of Ohio Virtualization Program and is a critical part of DoT's capital project for virtualization. OARnet pricing discounts for VMWare are greater than can be achieved through the bid process. This has been confirmed most recently in responses to solicitation SO037822, published in July 2011. The bid waiver will allow the City to continue the maintenance and support necessary for the operation of the VMWare software.

**EMERGENCY:**

Emergency designation is requested as to avoid interruption in the performance of services necessary in the usual daily operation, and to facilitate contract execution and related payment for services.

**FISCAL IMPACT:**

In 2010 the Department of Technology legislated \$170,831.53 with OARnet/OSU for VMware software licenses, training and associated services and in 2011 \$11,066.58 was legislated to increase the contract to pay for additional licenses and services needed. This modification request in the amount of \$19,547.71 is to cover the cost associated with the VMware software upgrades, maintenance and support services for the period December 24, 2011 to December 23, 2012. Funds to cover these costs are available within the Department of Technology, Information Services Division 2011 Budget as a result of cost savings from other contract expenditure being lower than budget. The aggregate contract total including this request is \$201,445.82.

**CONTRACT COMPLIANCE:**

Vendor: OARnet/OSU, 1224 Kinnear Rd Ste. 130, Columbus, OH 43212    CC#/FID#: 31-6025986 (105) Non Profit Organization (NPO)

To authorize the Director of the Department of Technology to modify an agreement with OARnet/OSU, for VMWare software upgrades, maintenance and support services; to waive the competitive bidding provisions of Columbus City Codes; to authorize the expenditure of \$19,547.71 from the Department of Technology, Information Services Division, internal service fund; and to declare an emergency. (\$19,547.71)

**WHEREAS**, this legislation will authorize the Director of the Department of Technology to modify an agreement with OARnet/OSU for VMWare software upgrades, maintenance and support services for the period December 24, 2011 to December 23, 2012 at a cost of \$19,547.71, and

**WHEREAS**, the total cost of this modification includes \$7,373.86 for software upgrades and \$12,173.85 for an additional year of maintenance and support. As maintenance and support is expiring for the VMWare software purchased in 2008 and newer versions of VMWare have become available, this modification is needed to ensure continued maintenance and support. The pricing offered the City reflects the agreed upon public sector discounts available to all participants in the State of Ohio Virtualization Program.

**WHEREAS**, the VMWare software is needed to operate virtual servers which has been adopted by the Department of Technology to further reduce costs of software licensing and hardware purchases, and

**WHEREAS**, this ordinance requests approval to waive the competitive bidding provisions of the Columbus City Codes (Section 329.07)(see attachment ORD1850-2011 OARnet BD) to allow the Department of Technology to continue the maintenance and support service for VMWare software, and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Technology in that it is immediately

necessary for the Director of the Department of Technology to modify the agreement with OARnet/OSU, for the purchase of VMware software upgrades, and the renewal of maintenance and support services, for the preservation of the public health, peace, property, safety and welfare; now, therefore

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1:** That the Director of the Department of Technology (DoT) be and is hereby authorized to modify an agreement with OARnet/OSU in the amount of \$19,547.71, for VMware software upgrades, and renewal of maintenance and support services for the period December 24, 2011 to December 23,2012.

**SECTION 2:** That the expenditure of \$19,547.71 or so much thereof as may be necessary is hereby authorized to be expended from:

**Dept./Div. 47-02| Fund 514| Sub-fund: 001| |OCA Code: 470202| Obj. Level 1: 03| Obj. Level 3: 3369| Amount: \$19,547.71**

**SECTION 3:** That the City Auditor is authorized to make any changes to revise the funding source for any contract or contract modifications associated with this ordinance.

**SECTION 4:** That the competitive bidding provisions of the Columbus City Codes Section 329.07 are hereby waived for good cause shown.

**SECTION 5:** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.