



## Legislation Text

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**File #: 0361-2016, Version: 1**

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### **BACKGROUND:**

This legislation authorizes the Director of the Department of Technology (DoT) to continue an agreement with OARnet/OSU, a non-profit organization, for VMWare software licensing, maintenance and support services. The original agreement (EL011737) was authorized by ordinance 1716-2010, passed December 13, 2010. The agreement was most recently renewed and modified by authority of ordinance 0556-2015, passed March 23, 2015, through purchase order EL016817. This ordinance will continue the agreement with OARnet and will co-term all existing support agreement periods to April 1, 2017 (**see attachment VMware OARnet Support Quote 2016-2017.pdf**). The total cost associated with this ordinance is \$65,919.45.

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 to 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. OARnet pricing discounts for VMWare are greater than can be achieved through the bid process. This has been confirmed most recently through solicitation SO037822, published in July 2011.

### **EMERGENCY:**

Emergency action is requested to expedite authorization of this contract in order to facilitate and maintain uninterrupted services from the supplier.

### **FISCAL IMPACT:**

In 2014 and 2015 the Department of Technology legislated with OARnet/OSU, \$222,728.58 and \$109,146.32 respectively for VMWare software licenses, maintenance fee, and associated services. This 2016 request in the amount of \$65,919.45 is to cover the cost associated with the continuation of existing VMWare software licensing, maintenance and support services co-termed through April 1, 2017. Funds to cover these costs are budgeted and available within the Department of Technology, Information Services Division, Information Services Operating Fund.

### **CONTRACT COMPLIANCE:**

Vendor: OARnet/OSU, 1224 Kinnear Rd Ste. 130, Columbus, OH 43212; CC#/FID#: 31-6025986 (105); (DAX Vendor Acct. #: 006163), Non Profit Organization (NPO)

To authorize the Director of the Department of Technology to continue an agreement with OARnet/OSU, for existing VMWare software licensing, maintenance and support services; to waive the competitive bidding provisions of Columbus City Code; to authorize the expenditure of \$65,919.45 from the Department of Technology, Information Services Division, Information Services Operating Fund; and to declare an emergency. (\$65,919.45)

**WHEREAS**, this legislation authorizes the Director of the Department of Technology (DoT) to continue an agreement with OARnet/OSU, a non-profit organization, for VMWare software licensing, maintenance and support services; and

**WHEREAS**, the original agreement (EL011737) was authorized by ordinance 1716-2010, passed December 13, 2010. The agreement was most recently renewed and modified by authority of ordinance 0556-2015, passed March 23, 2015, through purchase order EL016817. This ordinance will continue the agreement with OARnet and will co-term all existing support agreement periods to April 1, 2017 (see attachment VMware OARnet Support Quote 2016-2017.pdf). The total cost associated with this ordinance is \$65,919.45; and

**WHEREAS**, 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; and

**WHEREAS**, 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; and

**WHEREAS**, this ordinance requests to waive the competitive bidding provisions in accordance with Chapter 329 of the Columbus City Code to allow the Department of Technology to continue the maintenance and support service for existing VMWare software licensing, maintenance and support; and

**WHEREAS**, an emergency exists in the daily operation of the Department of Technology in that it is immediately necessary to authorize the Director to continue an agreement with OARnet/OSU for existing VMWare software licensing, maintenance and support, 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 continue an agreement with OARnet/OSU, a non-profit organization, for VMWare software licensing, maintenance and support services. This ordinance will continue the agreement with OARnet and will co-term all existing support agreement periods to April 1, 2017 (see attachment VMware OARnet Support Quote 2016-2017.pdf). The total cost associated with this ordinance is \$65,919.45.

**SECTION 2:** That the expenditure of \$65,919.45 or so much thereof as may be necessary is hereby authorized to be expended from: **(see attachment 0361-2016 EXP)**

**Dept:** 47 | **Div.:** 47-02 | **Obj Class:** 03 | **Main Account:** 63946 | **Fund:** 5100 | **Sub-fund:** 510001 | **Program:** IT005 | **Section 3:** 470201 | **Section 4:** IT01 | **Section 5:** IT0102 | **Amount:** \$65,919.45 | {Maintenance and Support Services}

**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 funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**SECTION 5:** That this Council finds it is in the City's best interest to waive the competitive bidding provisions of the Columbus City Code, Chapter 329.

**SECTION 6:** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is

whereby 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.