



Legislation Details (With Text)

File #: 21-1578 **Version:** 1 **Name:** 10/4/21 Resolution to Approve Purchase of Storage Area Network (SAN) from CDW Government, LLC with Related Financing Through Pure Storage Finance (\$844,598.00)

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Title: Resolution to Approve Purchase of Storage Area Network (SAN) from CDW Government, LLC with Related Financing Through Pure Storage Finance (\$844,598.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Pure Storage_Migration SOW_2June2021 v3.pdf, 2. MJMF065 Sept 24 CDWG Pure Storage Quote.pdf, 3. Muni Short Form Lease Pkg \$1 OUT Taxable \$500k over 9.27.2021.pdf

Date	Ver.	Action By	Action	Result
10/4/2021	1	City Council	Approved	Pass

Resolution to Approve Purchase of Storage Area Network (SAN) from CDW Government, LLC with Related Financing Through Pure Storage Finance (\$844,598.00)

The attached resolution authorizes the purchase of hardware, support, professional services and training for the implementation of a replacement Storage Area Network (SAN) from CDW Government, LLC ("CDW").

The attached resolution also seeks approval of a finance lease agreement with Pure Storage Finance to finance the SAN purchase from CDW, payable to Pure Storage Finance in five annual installments for FY2022 - FY2026 in the amount of \$168,919.60 each fiscal year, totaling \$844,598.00, in accordance with CDW's attached quote. At the conclusion of the lease, the City of Ann Arbor ("the City") will own the SAN."

The City's existing SAN has reached its end of life and support and requires replacement. City hosted servers all rely on this technology for storage.

A Request for Proposal (RFP #21-03) was advertised on the Michigan Inter-governmental Trade Network as well as the City's Purchasing website. Through the course of RFP review and due diligence, 6 of 10 respondents were eliminated by the evaluation committee. Fee proposals were reviewed for 4 respondents, which further eliminated down to 2 finalists to present final proposals to the evaluation committee. Staff evaluated the finalists and selected CDW who proposed a Pure Storage SAN.

World Wide Technology	\$409,776.96
Lumen	\$2,956,207.35
CDW	\$844,598.00

Access Interactive \$881,156.00

While CDW was not the lowest-cost respondent, staff believes that CDW's proposal to use the Pure Storage SAN offered the solution that best meets the City's needs, will provide a long term lower cost of ownership, better performance, reliability and overall experience for the City and recommends CDW and Pure Storage.

The City has already entered into a Product Sales and Service Projects Agreement with CDW Government LLC dated May 8, 2018 as amended by Amendment Number 1 on May 18, 2021 and the terms of that Agreement will apply to the proposed transaction with CDW in accordance with the attached quote.

Budget/Fiscal Impact: A finance lease agreement will be entered into with Pure Storage Finance to spread the cost of the purchase over five years which will reduce the impact of expense to the organization by IT rates. Five even payments of \$168,919.60 will occur once each fiscal year in FY2022 - FY2026. The FY2022 and FY2023 payments are available and planned for in the FY2022 and FY2023 Information Technology Services Unit budgets. Funds will be planned and budgeted for in the FY2024, FY2025, and FY2026 IT Fund Budgets. Authorization of the finance lease agreement will allow for the issuance of a Purchase Order to Pure Finance in the amount of \$168,919.60 for FY2022, as well as the authorization of payment of the balance by Purchase Orders to Pure Finance of \$168,919.60 in each fiscal year for FY2023, FY2024, FY2025, and FY2026, subject to and subsequent to annual budget approvals in each fiscal year.

Prepared by: Jen Grimes, Infrastructure and Cybersecurity Manager, ITSU

Reviewed by: Tom Shewchuk, IT Director, ITSU
Jennifer Richards, Assistant City Attorney

Approved By: John Fournier, Acting City Administrator

Whereas, A replacement SAN is key to Information Technology providing critical technology services to City staff and citizens;

Whereas, The City issued Request for Proposal #21-03 for a Storage Area Network (SAN) and selected CDW Government and Pure Storage from the two finalists;

Whereas, A finance lease agreement with Pure Storage Finance will be used to minimize financial impact to the organization by spreading the costs of the purchase across 5 fiscal years;

Whereas, Funding for this project is available in the approved FY2022 Information Technology Budget (\$168,919.60) and the remainder of the funding will be planned and budgeted for in the FY2023, FY2024, FY2025, and FY2026 Information Technology Budget; and

Whereas, CDW Government has signed a declaration of compliance with the City's Living Wage and Non-Discrimination Ordinances;

RESOLVED, That the City Council approve a purchase of hardware, support, professional services and training for the implementation of a replacement Storage Area Network from CDW Government, LLC;

RESOLVED, That the City Council approve a five-year finance lease agreement with Pure Storage Finance for FY 2022 - FY2026, in an amount not to exceed \$844,598.00 to finance the purchase from CDW Government, LLC subject to the annual appropriation of funds;

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this Resolution regardless of fiscal year; and

RESOLVED, That the funds identified herein be made available without regard to fiscal year.