



## AGENDA MEMORANDUM

Action Item for the City Council Meeting September 17, 2024

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**DATE:** September 17, 2024

**TO:** Peter Zaroni, City Manager

**FROM:** Peter Collins, Chief Information Officer of Information Technology  
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<b>Infrastructure Hardware Replacement</b>
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**CAPTION:**

Resolution authorizing the purchase of computer servers, support, and extended warranty from DataOn, a division of Area Electronics Systems, Inc., of Anaheim, California, for the City-wide enterprise system comprised of 29 departments and to provide a backup for MetroCom, for \$731,250, with FY2024 funding from the Information Technology and MetroCom Funds.

**SUMMARY:**

This resolution authorizes the purchase of servers, support, warranty, and licenses with Area Electronics, Inc. dba DataOn to provide the City's standardized IT infrastructure hardware for servers, licenses, warranty, and support for the new IT environment to replace current hardware for the City-wide enterprise system comprised of 29 departments. This purchase comes with a new five-year warranty and professional services needed to transfer existing data to the new servers. The vendor does not offer or recommend a warranty extension, as computing hardware and software technology is constantly advancing.

The City's IT infrastructure currently consists of 6.9 terabytes (TB) of memory, 320 central processing units (CPU), and 260TB of storage. It allows 40 gigabytes (GB) of data transfer on all devices connected to the City's IT network. The upgraded IT infrastructure will have 15.4TB of memory, 480 CPUs, and 440TB of storage, allowing for 100GB of data transfer on all devices connected to the City's IT network. This system will also serve as the

primary backup for the MetroCom CAD system and CAD upgrade, GIS, Zetron, cybersecurity, file storage, and other operational needs for MetroCom.

### **BACKGROUND AND FINDINGS:**

Technological needs and advancements of the City will lead to current hardware performance degradation while maintaining the increasing demands of modern software and applications. Upgrading server hardware is crucial to ensure optimal performance, efficiency, and security of the City's IT infrastructure. By investing in server hardware upgrades, the City can maintain a reliable and resilient IT environment to meet City operations' evolving needs. This system will also serve as the primary backup for the MetroCom CAD system and CAD upgrade, GIS, Zetron, cyber-security, file storage, and other operational needs for MetroCom.

This new hardware purchase would replace the aging current infrastructure, set for warranty expiration at the end of 2024. DataON does not provide or suggest a Warranty extension, as computing hardware and software are continually evolving. This new hardware would also increase usable resources, such as memory and drive space, whereas our current environment is reaching its capacity.

Today's infrastructure includes 6.9TB of memory, 320 CPU processors, and 260TB of storage, allowing 40GB of data transfer between devices. The new IT environment will have 15.4TB of memory, 480 CPU processors, and 440TB of storage, allowing for 100GB of data transfer between devices. This upgrade will increase our capacity by over 50% for future expansion.

This proposed solution must update the IT Department on the city's standardized DataON solution for support and business continuity. This purchase provides new server hardware, licenses, support, a five-year warranty, and professional services required to migrate data and replace the servers.

The cost was \$782,734 in FY2019. For FY2024, this IT environment upgrade retails at \$862,500 with a discount of \$131,250 (15%), a decrease of 6.5% from 2019.

### **PROCUREMENT DETAIL:**

This procurement falls under Local Government Code 252.022(2), a procurement necessary to preserve or protect the public health or safety of the municipality's residents, and Local Government Code 252.022. (7)(A) items available from only one source because of patents, copyrights, secret processes, or natural monopolies.

In FY 2019, the cost for this purchase was \$782,734. For FY 2024, the cost is \$731,250, a decrease of 6.5% from 2019.

### **ALTERNATIVES:**

The IT Department would continue to use current infrastructure and hardware to support the City, which would no longer be under warranty or a support agreement. Additionally, the City would be unable to expand for future organizational growth.

**FISCAL IMPACT:**

The fiscal impact on the Information Technology Fund in FY 2024 is \$525,000, and \$206,250 comes from the MetroCom Fund.

**FUNDING DETAIL:**

Fund: 5210 Information Technology Fund  
Organization/Activity: 40420 IT Infrastructure and Network Service  
Department: 23 IT Department  
Project # (CIP Only): n/a  
Account: 520100 Minor Computer Equipment  
Amount: \$525,000.00

Fund: 1048 MetroCom Fund  
Organization/Activity: 11800 MetroCom  
Department: 29 Police  
Project # (CIP Only): n/a  
Account: 530200 Telephone  
Amount: \$206,250.00

**RECOMMENDATION:**

Staff recommends approval of this agreement with DataOn.

**LIST OF SUPPORTING DOCUMENTS:**

Price Sheet