

**SUBJECT: APPROVE THE ISSUANCE OF A PURCHASE ORDER TO COVER THE COST OF RENEWING AND AUGMENTING VMWARE LICENSING AND SUPPORT**

**INITIATED BY: FINANCE & TECHNOLOGY SERVICES DEPARTMENT**  
(David Wilson, Director of Finance & Technology Services) *DW*  
(Eugene Tsipis, Information Technology Manager) *YT*  
(Jim Duncan, Systems Engineer Supervisor) *JD*

---

**STATEMENT ON THE SUBJECT:**

The City Council will consider approving the issuance of a purchase order to cover the cost of renewing and augmenting the City's existing VMware licensing and support.

**RECOMMENDATIONS:**

Authorize the Finance Department to issue a purchase order to FusionStorm in an amount of \$46,816.31 for the cost of renewing and augmenting the City's existing VMware licensing and support.

**BACKGROUND / ANALYSIS:**

The City has been using VMware software to provide its virtualization environment for many years. VMware, which is an industry leader in virtualization, has provided the City with a "rock solid" virtual environment with almost zero down time. This high availability has allowed the City to easily expand its network presence/services to new facilities quickly and reliably.

VMware sells all of its licensing and support through resellers. The Information Technology division, in its quest to find the best price for the City, obtained two quotes for its VMware licensing and support needs. The first quote obtained was from Insight Public Sector which used the U.S. Communities Government Purchasing Alliance contract to provide its pricing. The U.S. Communities contract provides competitively bid pricing with vendors such as VMware which results in savings for public entities that use the contract. The City allows for the use of these types of quotes per the guidelines set forth in paragraph "f" of Purchasing Ordinance 3.08.080. Insight's quote was \$47,132.83. City IT was also able to obtain a quote from FusionStorm, who is also a reseller of VMware, and was able to obtain an even lower quote in the amount of \$46,816.31. Please note that the amount of the quote consists of one time costs (\$41,003.31) as well as annual costs (\$5,813.00). As a result of these efforts, the Information Technology division has been able to provide the lowest pricing possible for

the City for its VMware licensing and support needs.

Given that the City's servers are over 90% virtualized, it is critical that the City maintains proper support for its virtualization environment. Nearly all of the services that the Information Technology Division provides to staff/constituents rely upon this environment being up and available 24 X 7. Therefore it is staff's recommendation that Council approve the issuance of a purchase order in the amount of \$46,816.31 to renew and augment the software maintenance and support for the City's VMware environment..

**CONFORMANCE WITH VISION 2020 AND THE GOALS OF THE WEST HOLLYWOOD GENERAL PLAN:**

This item is consistent with the Primary Strategic Goal(s) (PSG) and/or Ongoing Strategic Program(s) (OSP) of:

- OSP-1: Adaptability to Future Change.
- OSP-2: Institutional Integrity.

In addition, this item is compliant with the following goal(s) of the West Hollywood General Plan:

N/A

**EVALUATION PROCESSES:**

By paying this quote with FusionStorm for software licensing and support, the City will help to ensure that its critical virtualization environment, which is the area where over 90% of all of the City's servers reside, continues to maintain an uptime of 24 X 7.

**ENVIRONMENTAL SUSTAINABILITY AND HEALTH:**

The use of VMware software provides the City with its virtualization environment. Virtualization consists of taking physical servers and converting them into virtual ones. Once these servers have become virtual, they then run on a very powerful physical server. This "super" server is capable of running many virtual servers on it at once resulting in a significant reduction in the number of physical servers required to provide service for staff. Fewer physical servers, in turn mean less power and cooling being required and ultimately a smaller carbon foot print for the City.

**COMMUNITY ENGAGEMENT:**

N/A

**OFFICE OF PRIMARY RESPONSIBILITY:**

FINANCE & TECHNOLOGY SERVICES DEPARTMENT / INFORMATION TECHNOLOGY DIVISION

**FISCAL IMPACT:**

The proposed expenditure for this item, \$46,816.31, is budgeted for fiscal year 2016 in account 100-1-03-38-524071.

<b>AMOUNT</b>	<b>DESCRIPTION</b>
\$46,816.31	Funding for this item is already budgeted.

**ATTACHMENTS:**

Attachment A: Quotes

## FusionStorm Sales Proposal

Date 05/24/2016  
Quote # Q-00095209-R1  
Terms Net 30  
FOB Origin

Sales Rep Kurt Tracy  
Sales Rep Phone (949) 224-8362  
Sales Rep Fax (949) 861-9160  
Sales Rep Email ktracy@fusionstorm.com

Sales Support Rep Cynthia Ortega  
Sales Support Phone (949) 224-8354  
Sales Support Fax (310) 943-3289  
Sales Support Email cortega@fusionstorm.com

**Bill To**

City of West Hollywood  
ATTN: Information Technology  
8300 Santa Monica Blvd.  
West Hollywood, CA 90069

**Ship To**

City of West Hollywood  
Attn: Information Technology  
8300 Santa Monica Blvd.  
West Hollywood, CA 90069

**Comments:**  
**Description:**

Line	Mfg	Part #	Qty	Description	List Price	Sell Price	Extd Sell
1	VMware	VS6-ENT-EPL-UG-PRO	6	UPG VSPHERE 6 ENT TO VSPHERE 6 ENT PLUS 1 PROC PROMO	340.00	295.47	1,772.82
2	VMware	VS6-EPL-P-SSS-C	6	PROD SNS VSPHERE 6 ENT PLUS 1 PROC 1YR	874.00	853.52	5,121.12
3	VMware	VS6-EPL-C-L1	2	L1 VSPHERE 6 ENT PLUS 1 PROC	3,355.20	2,915.83	5,831.66
4	VMware	VS6-EPL-P-SSS-C	2	PROD SNS VSPHERE 6 ENT PLUS 1 PROC 1YR	874.00	853.52	1,707.04
5	VMware	VS6-EPL-AK-C	1	VSPHERE 6 ENT PLUS ACCL KIT 6 PROCS	22,995.00	19,983.75	19,983.75
6	VMware	VS6-EPL-AK-P-SSS-C	1	PROD SNS VSPHERE ENT PLUS ACCL KIT 6 PROCS 1YR	6,745.00	6,586.92	6,586.92
Subtotals							41,003.31

**Total Ext.List Price \$45,482.40**  
**Subtotal \$41,003.31**  
**Total Estimated Tax \$0.00**  
**Total \$41,003.31**

FusionStorm Confidential and Proprietary

**Terms and Conditions:**

\*By accepting this Proposal, Customer hereby agrees to the terms of the Master Sales Agreement ("MSA"), as amended from time to time, located at <http://www.fusionstorm.com/pages/terms>, unless the parties have entered into a separate written agreement (the "Agreement") on the subject matter, in which case that Agreement governs this Proposal.

\*FusionStorm expressly rejects any other terms and conditions, even those on Customer's purchase order.

\*Shipping and freight costs are estimated at the time of Proposal and will be adjusted accordingly at the time of invoice.

**Signature Acceptance:**

---

**Date:**



## FusionStorm Sales Proposal

**Bill To**

City of West Hollywood  
ATTN: Information Technology  
8300 Santa Monica Blvd.  
West Hollywood, CA 90069

**Ship To**

City of West Hollywood  
Attn: Information Technology  
8300 Santa Monica Blvd.  
West Hollywood, CA 90069

**Date** 05/12/2016  
**Quote #** Q-00095340  
**Terms** Net 30  
**FOB**

**Sales Rep** Kurt Tracy  
**Sales Rep Phone** (949) 224-8362  
**Sales Rep Fax** (949) 861-9160  
**Sales Rep Email** ktracy@fusionstorm.com

**Comments:** Account Number: 115860243  
**Description:** City of West Hollywood - VMware Renewal  
Co-termed to 7/31/2017

**Sales Support Rep** Cynthia Ortega  
**Sales Support Phone** (949) 224-8354  
**Sales Support Fax** (310) 943-3289  
**Sales Support Email** cortega@fusionstorm.com

Line	Service Part #	Mfg Part #	Description	Contract #	Serial #	Qty	Mfg	Location	Start Date	End Date	Sell Price	Extd Sell
1	VS6-ENT-P-SSS-C		RNWL PROD SNS VSPHERE 6 ENT 1 Contract No. 31884316 Instance No. 154462077 Start Date: 08/01/2016 End Date: 07/31/2017 Location: West Hollywood, CA	31884316	154462077	2	VMware	West Hollywood, CA	08/01/2016	07/31/2017	719.00	1,438.00
2	VS6-ENT-P-SSS-C		RNWL PROD SNS VSPHERE 6 ENT 1 Contract No. 31884316 Instance No. 154509246 Start Date: 08/01/2016 End Date: 07/31/2017 Location: West Hollywood, CA	31884316	154509246	4	VMware	West Hollywood, CA	08/01/2016	07/31/2017	719.00	2,876.00
3	VCS6-STD-P-SSS-C		RNWL PROD SNS VCTR SERVER 6 STD VSPHERE 6 PER INSTANCE Contract No. 31884316 Instance No. 154748851 Start Date: 08/01/2016 End Date: 07/31/2017 Location: West Hollywood, CA	31884316	154748851	1	VMware	West Hollywood, CA	08/01/2016	07/31/2017	1,499.00	1,499.00
Subtotals											5,813.00	

**Subtotal**

**\$ 5,813.00**

<b>Total Estimated Tax</b>	<b>\$ 0.00</b>
<b>Total</b>	<b>\$5,813.00</b>

FusionStorm partners provide flexible and competitive leasing options for your IT acquisition.

You could potentially qualify for monthly payments of \$176.72\*

\*Estimate based on the pre-tax total above and a 36 month term. Final rates subject to credit and documentation approval.

FusionStorm Confidential and Proprietary

Terms and Conditions:

\*By accepting this Proposal, Customer hereby agrees to the terms of the Master Sales Agreement ("MSA"), as amended from time to time, located at <http://www.fusionstorm.com/pages/terms>, unless the parties have entered into a separate written agreement (the "Agreement") on the subject matter, in which case that Agreement governs this Proposal.

\*FusionStorm expressly rejects any other terms and conditions, even those on Customer's purchase order.

\*Shipping and freight costs are estimated at the time of Proposal and will be adjusted accordingly at the time of invoice.

**Signature Acceptance:**

---

**Date:**

**SOLD-TO PARTY**      10270807  
 CITY OF WEST HOLLYWOOD  
 8300 SANTA MONICA BLVD  
 WEST HOLLYWOOD CA 90069-6216

**SHIP-TO PARTY**  
 CITY OF WEST HOLLYWOOD  
 8300 SANTA MONICA BLVD  
 WEST HOLLYWOOD CA 90069-6216

**We deliver according to the following terms:**

**Payment Terms** : Net 30 days  
**Ship Via** : Electronic Delivery  
**Terms of Delivery** : FOB DESTINATION  
**Currency** : USD

<b>Quotation</b>	
<b>Quotation Number</b>	: 217911482
<b>Document Date</b>	: 23-MAY-2016
<b>PO Number</b>	:
<b>PO Release</b>	:
<b>Sales Rep</b>	: Christopher Letsinger
<b>Email</b>	: CHRISTOPHER.LETSINGER@INSIGHT.C
<b>Telephone</b>	: 8004674448 X 5820

In order for Insight to accept Purchase Orders against this contract and honor the prices on this quote, your agency must be registered with U.S. Communities. Our sales teams would be happy to assist you with your registration. Please contact them for assistance -- the registration process takes less than five minutes.

Material	Material Description	Quantity	Unit Price	Extended Price
<a href="#">VS6-ENT-EPL-UG-PRO</a>	VMware vSphere Enterprise Plus - ( v. 6 ) - upgrade license - 1 processor - upgrade from VMware vSphere 6 Enterprise - promo U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	6	305.45	1,832.70
<a href="#">VS6-EPL-P-SSS-C</a>	VMware Support and Subscription Production - Technical support - for VMware vSphere Enterprise Plus Edition ( v. 6 ) - 1 processor - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 23-MAY-2016 - 23-MAY-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	6	832.09	4,992.54
<a href="#">VS6-EPL-C-L1</a>	VMware vSphere Enterprise Plus - ( v. 6 ) - license - 1 processor - VPP - level 1 ( 250-599 ) U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	2	3,016.86	6,033.72
<a href="#">VS6-EPL-P-SSS-C</a>	VMware Support and Subscription Production - Technical support - for VMware vSphere Enterprise Plus Edition ( v. 6 ) - 1 processor - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 23-MAY-2016 - 23-MAY-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	2	832.09	1,664.18
<a href="#">VS6-EPL-AK-C</a>	VMware vSphere Enterprise Plus Acceleration Kit - ( v. 6 ) - license - 6 processors U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	1	20,659.10	20,659.10

Material	Material Description	Quantity	Unit Price	Extended Price
<u>VS6-EPL-AK-P-SSS-C</u>	VMware Support and Subscription Production - Technical support - for VMware vSphere Enterprise Plus Acceleration Kit ( v. 6 ) - 6 processors - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 23-MAY-2016 - 23-MAY-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	1	6,416.29	6,416.29
			Product Subtotal	41,598.53
			TAX	0.00
			<b>Total</b>	<b>41,598.53</b>

Thank you for considering Insight. Please contact us with any questions or for additional information about Insight's complete IT solution offering.

Sincerely,

Christopher Letsinger  
8004674448 X 5820  
CHRISTOPHER.LETSINGER@INSIGHT.COM  
Fax 4807608104

U.S. Communities IT Products, Services and Solutions Contract No. 4400006644

Insight Public Sector (IPS) is proud to be a contract holder for the U.S. Communities Technology Products, Services, Solutions & Related Products and Services Contract.

This competitively solicited contract is available to participating agencies of the U.S. Communities Government Purchasing Alliance. U.S. Communities assists local and state government agencies, school districts (K-12), higher education, and nonprofits in reducing the cost of purchased goods by pooling the purchasing power of public agencies nationwide. This is an optional use program with no minimum volume requirements and no cost to agencies to participate.

Thanks for choosing Insight!

Insight Global Finance has a wide variety of flexible financing options and technology refresh solutions. Contact your Insight representative for an innovative approach to maximizing your technology and developing a strategy to manage your financial options.

This purchase is subject to Insight's online Terms of Sale unless you have a separate purchase agreement signed by both your company and Insight, in which case, that separate agreement will govern. Insight's online Terms of Sale can be found at: [https://www.ips.insight.com/en\\_US/help/product-returns-terms-and-conditions.html](https://www.ips.insight.com/en_US/help/product-returns-terms-and-conditions.html)

**SOLD-TO PARTY**      10270807  
 CITY OF WEST HOLLYWOOD  
 8300 SANTA MONICA BLVD  
 WEST HOLLYWOOD CA 90069-6216

**SHIP-TO PARTY**  
 CITY OF WEST HOLLYWOOD  
 8300 SANTA MONICA BLVD  
 WEST HOLLYWOOD CA 90069-6216

**We deliver according to the following terms:**

**Payment Terms** : Net 30 days  
**Ship Via** : Electronic Delivery  
**Terms of Delivery** : FOB DESTINATION  
**Currency** : USD

Quotation	
<b>Quotation Number</b>	: 217912672
<b>Document Date</b>	: 24-MAY-2016
<b>PO Number</b>	:
<b>PO Release</b>	:
<b>Sales Rep</b>	: Christopher Letsinger
<b>Email</b>	: CHRISTOPHER.LETSINGER@INSIGHT.C
<b>Telephone</b>	: 8004674448 X 5820

In order for Insight to accept Purchase Orders against this contract and honor the prices on this quote, your agency must be registered with U.S. Communities. Our sales teams would be happy to assist you with your registration. Please contact them for assistance -- the registration process takes less than five minutes.

Material	Material Description	Quantity	Unit Price	Extended Price
<a href="#">VS6-ENT-P-SSS-C</a>	VMware Support and Subscription Production - Technical support - for VMware vSphere Enterprise Edition ( v. 6 ) - 1 processor - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 01-AUG-2016 - 31-JUL-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	4	684.53	2,738.12
<a href="#">VS6-ENT-P-SSS-C</a>	VMware Support and Subscription Production - Technical support - for VMware vSphere Enterprise Edition ( v. 6 ) - 1 processor - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 01-AUG-2016 - 31-JUL-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	2	684.53	1,369.06
<a href="#">VCS6-STD-P-SSS-C</a>	VMware Support and Subscription Production - Technical support - for VMware vCenter Server Standard for vSphere ( v. 6 ) - 1 instance - emergency phone consulting - 1 year - 24x7 - response time: 30 min Coverage Dates: 01-AUG-2016 - 31-JUL-2017 U.S. COMMUNITIES IT PRODUCTS & SERVICES(# 4400006644)	1	1,427.12	1,427.12

Product Subtotal	5,534.30
TAX	0.00
<b>Total</b>	<b>5,534.30</b>

Thank you for considering Insight. Please contact us with any questions or for additional information about Insight's complete IT solution offering.

Sincerely,

---

Christopher Letsinger  
8004674448 X 5820  
CHRISTOPHER.LETSINGER@INSIGHT.COM  
Fax 4807608104

U.S. Communities IT Products, Services and Solutions Contract No. 4400006644

Insight Public Sector (IPS) is proud to be a contract holder for the U.S. Communities Technology Products, Services, Solutions & Related Products and Services Contract.

This competitively solicited contract is available to participating agencies of the U.S. Communities Government Purchasing Alliance. U.S. Communities assists local and state government agencies, school districts (K-12), higher education, and nonprofits in reducing the cost of purchased goods by pooling the purchasing power of public agencies nationwide. This is an optional use program with no minimum volume requirements and no cost to agencies to participate.

Thanks for choosing Insight!

Insight Global Finance has a wide variety of flexible financing options and technology refresh solutions. Contact your Insight representative for an innovative approach to maximizing your technology and developing a strategy to manage your financial options.

This purchase is subject to Insight's online Terms of Sale unless you have a separate purchase agreement signed by both your company and Insight, in which case, that separate agreement will govern. Insight's online Terms of Sale can be found at: [https://www.ips.insight.com/en\\_US/help/product-returns-terms-and-conditions.html](https://www.ips.insight.com/en_US/help/product-returns-terms-and-conditions.html)