

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Network Infrastructure Equipment Purchase

ORIGINATING DEPARTMENT

Information Technology Services (ITS)

BACKGROUND INFORMATION

The City of Killeen network infrastructure is currently comprised of 190 end user switches and three core switches that operate on a five-year replacement cycle. This current infrastructure has equipment that ranges in age from five to over ten years old. The Information Technology Services (ITS) Department began replacing switches annually in accordance with the city's five-year replacement plan in 2014. In 2015, staff requested a purchase of equipment worth \$305,000. With this purchase the staff realized that, because of the age of the current equipment, the entire network could not be replaced in an effective way by purchasing 1/5th each year. To continue would just be patching an infrastructure that needs an entire overhaul.

DISCUSSION/CONCLUSION

The ITS department, working with Cisco engineers and using the current fiber connectivity project, designed a plan to replace all of the network infrastructure equipment this year and pay over a five (5) -year period. Cisco recommended 3 vendors from the Texas Department of Information Resources (DIR) co-operative purchasing network. These vendors presented their engineer bids to the staff. We chose Presidio LLC., having worked with them on a previous venture, as best value to the City of Killeen. Cisco has offered, in conjunction with Presidio's bid, to finance this endeavor through Key Government Finance Inc. at a competitive cost with no interest to the city over a five (5)-year period.

The staff is seeking approval for a refresh project that would allow the purchase of network infrastructure equipment with costs exceeding \$50,000 from Presidio, Inc., an approved Cisco reseller from the Texas DIR co-operative purchasing network. The DIR contract falls within the exemptions listed in the Texas Local Government Code (TLGC) 252.022, which exempts the City from the competitive bidding process.

The ITS staff would like to replace all of the network infrastructure equipment currently in the system and enhance the network with additional equipment to order to provide services to the staff and citizenry. This purchase of the entire network infrastructure will meet current and future city needs by improving overall performance through increased scalability, management, redundancy and security. It will enable the ITS staff will be able to provide numerous services, like Wi-Fi capability at each building for city staff use as well as citizen use, creating an efficient, cost effective workspace for the City of Killeen.

FISCAL IMPACT

This entire purchase cost is \$1,298,727.05. The payment is set at \$259,745.41 for each of the next five years. The funds for this replacement plan have been included in the FY16 budget in

the computer hardware accounts of the General and non-departmental funds. The staff will include the annual payment in the budget requirements for FYs 17-20. The individual costs per account are depicted below:

\$100,345.41- General fund (010-2705-419.46-40)
\$ 14,685.00- Hotel Occupancy Tax Fund (214-9508-457.46-40)
\$ 14,685.00- Aviation Fund (5259508-521.46-40)
\$ 12,237.00- Solid Waste Fund (540-9508-439.46-40)
\$ 90,556.00- Water and Sewer Fund (550-2705-419.46-40)
\$ 12,237.00- Drainage and Utility Fund (575-9508-492.46-40)
\$ 15,000.00- Municipal Court Technology Fund (240-0000-417.46-40)
\$259,745.41- Total

RECOMMENDATION

The city staff requests that the City Council approve the plan to purchase network infrastructure equipment in its entirety and pay out in installments for five years, and that the City Manager is expressly authorized to approve any change orders in compliance with state law.