

COUNCIL COMMUNICATION

DATE: 5/18/2026	SUBJECT: MOTION(S) Request for ratification of the purchase of Nutanix, a server virtualization solution that replaces the City's current virtualization platform, which the City has outgrown and whose current renewal is facing significant price increases. The current global supply chain issues with computer hardware necessitated that IST purchase this solution immediately for reasons related to inventory availability and pending price increases. The cost for hardware, software, and implementation services was \$299,422.68. Purchase was with General Datatech, L.P. from Dallas, Texas, through the State of Texas DIR contract DIR-CPO-5688. Funding was available in the Information Services and Telecommunication department, Support Services division.	
INITIATED BY: Joseph W. Neeb; City Manager. Steve Landin; Assistant City Manager.	STAFF SOURCE: Joe Rivera; Information Services & Telecommunications Director. Jaime E. Zapata; Purchasing Agent.	
PREVIOUS COUNCIL ACTION: N/A		
BACKGROUND: The Information Service and Telecommunication department, Support Services division, purchased Nutanix, a server virtualization solution that replaces the City's current virtualization platform, VMWare. Our current VMWare virtualization environment has run out of resources and storage capacity, preventing us from moving forward with the virtualization needs for new or growing computer solutions. An example of this is the growing need for the City's computer users to store their work files on the network shares. Furthermore, the upcoming VMWare renewal is facing significant price increases. Broadcom, the company that acquired VMWare a few years ago has continued to increase license pricing at an unexpected and swift pace. Due to the need to expand our virtualization environment's resources in a cost-effective manner, IST decided to migrate to Nutanix's virtualization solution. The need to move quickly was dictated by the ongoing global supply chain issues with computer hardware. The concerns being the availability of hardware before our VMWare renewal in August and the pending price increases due to the shortage. The \$299,422.68 Nutanix purchase includes one-time hardware and implementation costs. Subsequent licensing renewals are approximately \$45,000 a year. The purchase was with General Datatech, L.P. from Dallas, Texas, through the State of Texas DIR contract DIR-CPO-5688.		
FINANCIAL IMPACT: Funding for this purchase is available in the Information Services and Telecommunication department, Support Services division – 595-5525-515.90-02 and 401-9885-515.90-02		
COMMITTEE RECOMMENDATION: N/A	STAFF RECOMMENDATION: Approval of motion to ratify the purchase in the amount of \$299,422.68	