

EXECUTIVE SUMMARY

Recommendation of \$500,000 or Greater 19-053E – Virtualization Software Enterprise Level Agreement (VMware)

This request is to award the Invitation to Bid (ITB) to Dell Marketing L.P. for five (5) years, commencing upon School Board approval through July 31, 2023 for VMware Enterprise software licensing. This item is funded in Technology’s Hardware and Software budget approved June 12, 2018.

VMware software licenses maintains our virtualized server environment. These licenses require Support and Subscription in order to maintain its compliance with the terms of the license.

Current Condition

Broward Schools owns one hundred forty-two (142) perpetual licenses out of which ninety-two (92) are no longer supported after March 2020, which amount to sixty-three (63) percent of our total inventory. This virtualization software maintains over nine hundred (900) operational servers that host various department applications and data throughout the District.

Inventory of what we own:

Product	Qty.	Support Level	Expiration Date
vSphere Enterprise Plus	18 CPU	Production	8/30/2018
vSphere Enterprise Plus	18 CPU	Basic	8/30/2018
vSphere Enterprise	68 CPU	Production	8/30/2018
vSphere Enterprise	22 CPU	Basic	8/30/2018
vSphere Enterprise	2 CPU	Basic	8/16/2019
vSphere Standard	14 CPU	Basic	8/30/2018
vCenter Server Standard	1 Instance	Basic	8/30/2018

Multiple options were considered in the evaluation of this ITB.

Both versions of Option zero (0) are NOT Enterprise License Agreements, which is what we have today and renewal cost are not locked, so these prices are only estimates provided by the manufacturer and are subject to change at any time.

Staff recommends Option 1 of this ITB because it will lock in the lowest pricing available for the longest period of time due to the volatility of pricing after the third year. It will also include additional functionality over Option 0 as detailed below in the section entitled “Benefits of Enterprise License Agreement Option 1”.

Recommendation of \$500,000 or Greater
19-053E – Virtualization Software Enterprise Level Agreement (VMware)
September 18, 2018 Board Agenda
Page 2

Financial Impact

The total spending authority requested is \$698,356 which represents the cost of software, support, and subscription. The funding source is the Information & Technology Hardware Software budget.

	ACADEMIC YEAR				2022 (Out year renewal cost)	Total 5 Yr Commitment
	2018	2019	2020	2021		
Option 0 (Renew as-is) **	\$83,013.00	\$85,503.39	\$172,245.10	\$124,108.00	\$127,831.00	\$592,700.49
Option 0 (Non-ELA) **	\$172,245.10	\$122,819.00	\$126,504.00	\$130,299.00	\$134,208.00	\$686,075.10
Option 1 (Opt0+Vrops & Dist. Switch)	\$151,839.00	\$151,839.00	\$151,839.00	\$151,839.00	\$91,000.00	\$698,356.00
Option 2 (Opt1+NSX)	\$220,109.00	\$220,109.00	\$220,109.00	\$220,109.00	\$114,000.00	\$994,436.00
Option 3 (Opt2+vCloud)	\$266,331.25	\$266,331.25	\$266,331.25	\$266,331.25	\$125,000.00	\$1,190,325.00
	** Highlighted is only estimate, renewals are not locked					

Benefits of Enterprise License Agreement Option 1

- Proactive Approach: Addresses vSphere Enterprise going End of Life
- Increased Support Level to 24x7 support instead of 8x5 today – reduce BCPS team after-hours support.
- Co-terms and consolidates all licenses to one contract.
- Locks lowest possible renewal costs for five (5) years
- Guaranteed Renewal Cost: Option to renew Enterprise License Agreement in August 2022 for one (1) year for \$91k
- All licenses now have Enterprise Plus functionality with Operations Management.
- Reporting capabilities into Workload Capacity and Health include:
 - Forty (40) percent Increase in Capacity Utilization
 - Thirty-seven (37) percent Increase in Consolidation Ratios
 - Twenty-six (26) Reduction in Diagnostics and Problem Resolution

Procurement Method

The Invitation to Bid (ITB) solicitation ran from starting May 31, 2018 through July 3, 2018. There were four hundred-nineteen (419) vendors notified, sixteen (16) vendors downloaded the ITB, one (1) no bid and four (4) bids were received before bid opening. The award recommendation was made based on lowest price.