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16-074

AUTHORIZE AN INCREASE TO EXISTING VMWARE  
LICENSING CONTRACT WITH CDWG

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REPORT: Executive Summary

TSS is requesting Board approval for an expenditure of \$183,000 in fiscal year 2016. Approval is required because the amount is above \$150,000. **Monies are budgeted.** The total contract amount is for \$550,000 paid over a three-year period (funded by the General Fund).

The expenditure relates licensing to the following VMWare products (VMWare is the virtual operating system software installed on PCC servers).

1. VMWare virtual operating system
2. vSphere Operations Manager software for administering VMWare environments
3. NSX data center security software
4. Site Recovery Manager fail-over software

Rationale

This is a mission critical expenditure for the following reasons:

1. VMWare – renewal/growth cost

Right-sizing licenses: Licensing for original server footprint is expiring and additional servers have been brought online.

2. vSphere Operations Manager – renewal/growth cost

Right-sizing licenses: correlates with VMWare licenses (above)

3. NSX – incremental cost

The NRP project has made great strides in addressing security at the network and Firewall level. NSX will enable us to implement policy based security at the Server level

4. Manager (SRM) – incremental cost

PCC has historically had no Disaster Recovery capability. This is a critical compliance and risk issue for some systems. We are currently pursuing a strategy to implement Disaster Recovery capability. SRM is the software that will allow us to

fail-over to a second site and the recovery of connected systems.

Cost/Benefit

Enterprise License (ELA) vs Server-Based Licensing:

Currently licensed products are VMWare and vSphere Operations Manager – these are currently licensed on a “per-server” basis. We are proposing renewal as Enterprise licenses.

This ELA affords the following benefits:

- Cost Savings: bundling of software products resulting in a 55% cost saving on a per server basis
- Future Cash Flow: minimizes ongoing expansion and renewal costs
- Professional Services: ELA provides implementation and staff training credits
- Institutional Compliance: enable enterprise risk and compliance projects (Information Security and Disaster Recovery)

Procurement: CDWG State Contract

The College is using a cooperative contract with State of Oregon; reference IT HVAR Contract #5603. The College Procurement Rules (CCR 205) allow the use of cooperative contracts without going through an additional competitive process.

RECOMMENDATION: We recommend the Board approve the expenditure for the total contract amount of \$550,000 paid over a three-year period (funded by the General Fund).