



CITY OF ORLANDO

MEMORANDUM

To: David Billingsley, Chief Procurement Officer
✓Angela Thomas, Purchasing Agent III

From: Rosa Akhtarkhavari, Chief Information Officer RA

Date: January 2, 2018

Subject: VMware Licensing: Renewals and Additions (including joint CAD)

Please reference City Requisition RQ-0000011917 and supporting documents. The Information Technology (IT) Department is requesting your assistance to gain City Council approval, and acquire VMware licensing and support necessary to maintain existing services as well as for new IT initiatives – including the public safety Computer Aided Dispatch (CAD) systems.

To provide a comprehensive and cost-effective solution, IT is recommending moving from an annual license and support renewal model to a three-year Enterprise License Agreement (ELA). Advantages to the ELA include up-front cost savings of \$220,284.18, and guaranteed price savings for any additional VMware licensing and support acquired over the three-year term. The comparative pricing and ELA savings are summarized in the table below.

| Pricing | Year 1 | Year 2 | Year 3 | Total |
|---|----------------------|---------------------|---------------------|----------------------|
| Existing Product Renewal | \$ 85,376.00 | \$ 71,146.75 | \$ 71,146.75 | \$ 227,669.50 |
| New Product Purchase & Support | \$ 269,477.00 | \$ 117,836.16 | \$ 117,836.16 | \$ 505,149.32 |
| Existing Product Renewal + New Product Purchase & Support | \$ 354,853.00 | \$ 188,982.91 | \$ 188,982.91 | \$ 732,818.82 |
| | | | | |
| 3-year ELA Purchase & Support | \$ 170,844.88 | \$ 170,844.88 | \$ 170,844.88 | \$ 512,534.64 |
| | | | | |
| Savings via 3-Year ELA | \$ 184,008.12 | \$ 18,138.03 | \$ 18,138.03 | \$ 220,284.18 |

See the attached Dell Inc. quote in the amount of \$512,534.64 (low supplier quote) for the ELA over three years. Also attached is the requisite Fiscal Impact Statement reflecting these costs, to be paid in three annual payments through Fiscal Year 2019-20.

Attachments: Dell Inc. Quote #1011104401969.1
FIS – VMware Licensing and Support: Current with CAD Project addition