REPORT FROM THE DIRECTOR OF INFORMATION TECHNOLOGY

Re: Host Server Replacement

RECOMMENDATION

That the Report of the Director of Information Technology regarding Replacement of Host Servers be received; and

That the Council approve the negotiation method (G) and (H) be used to procure the required feature specific server hardware, software and licensing; and

That the Director of IT proceed with the proposed purchases in the total amount of $114,308.77; and

That the required funds be taken from Information Technology Reserves as budgeted in the 2024 Capital budget.

BACKGROUND

The solution and provider cannot be named publically citing Section 239 (2) (a) and (j)[1] of the Municipal Act. For cybersecurity reasons it is imperative that we do not disclose the brand of the solution or the provider.

In 2023 Council approved the purchase of one storage server due to support, warranty and the system failing.

The Director of IT has consulted with stakeholders including city staff, vendors and contracted service providers in order to review current needs, planned initiatives and future requirements while considering the impact on the technology systems in place today. The infrastructure and current design installed in 2017 is still viable and can support the cities needs for the next 5 years while we transition our core systems and add new services including cloud or hybrid solutions. While there is no need to change the design, three Host servers are beyond normal end of life, warranty and updateability. On January 29 of this year, we lost one of the three servers and the other two are now carrying the load temporarily. It is now critical to replace the units as soon as possible. A temporary solution is being sought for the impacted site.

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[1]Meetings open to public 239 (2) Exceptions
(2) (a) the security of the property of the municipality or local board;
(j) a trade secret or scientific, technical, commercial or financial information that belongs to the municipality or local board and has monetary value or potential monetary value;

Three quotes were obtained for the feature specific make and model servers. The hardware (servers), software and licensing needs to be updated to be on a supported platform with manufacturer warranty and application support for the next 5 years.

ANALYSIS

CITY INFRASTRUCTURE

As these servers are a critical part of our IT infrastructure, once the supplier deems equipment as end of life and cannot meet requirements to upgrade applications, operation systems or networking resources, it is always a recommended course of action to replace the hardware and associated licensing. These servers have been in place for 7+ years which is an extended time limit for server hardware. The current architecture needs to be maintained while the city transitioned to new solutions for retention purposes and for current department operations until a full migration is completed and tested. It is reasonable to expect current applications will be online for the next 5yrs and may in some backup capacity be needed beyond. Once the city has fully transitioned to a complete cloud based or hybrid solution the next IT Refresh will look much different.

It has become critical to replace servers as one unit has failed.

FINANCIAL IMPACT

The 2024 Capital budget allocated $170, 528 for the IT Refresh project.

The Information Technology Reserve has a January 1, 2025 opening balance of $504,188.45. Year to date, $0 of the approved capital 2024 budget for IT Refresh is spent. This purchase will be included as a portion of the approved in the 2024 capital budget for IT Refresh; and will be withdrawn from the Information Technology Reserve.

Cost of 3 servers is $64,203.77 before tax. Software and licensing is $45,105.

New 48 port switch as current switches are at capacity $5000.00.

Total cost is $114,308.77

Hardware will be purchased first and installed in house. Each server will be upgraded and licensing applied as required over the course of the year. For purposes of this report the funds will be spent in 2025 as carry forward of the 2024 Capital budget.

LINK TO STRATEGIC PLAN

Strong municipal corporate administration and governance.

Action item, 11. The City will review municipal systems and develop and implementation plan to ensure that effective and efficient processes for monitoring and organizing the activities of the municipality are in place.

Action item, 20. The City will focus on comprehensive asset management planning to prioritize ongoing required infrastructure renewal and maintenance; Thereby ensuring its financial health and complying with Ontario Regulation 588/17. This plan will identify priorities among capital projects and ultimately the level of services offered by the municipality. This will be done by balancing the needs of the community with available finances, resources and capacity.

SUMMARY

It is respectfully recommended that council delegate authority to the Director of IT to commit to the vendors of choice LCIX Cloud Systems Inc. for the procurement of 3 Host Servers and appropriate software and licensing not to exceed $114,308.77.