



Agenda Report

Fullerton City Council

MEETING DATE: MAY 20, 2025

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: ERIC LEVITT, CITY MANAGER

PREPARED BY: AARON FRY, CHIEF TECHNOLOGY OFFICER
KIM CHAUDHRY, SENIOR ADMINISTRATIVE ANALYST

SUBJECT: \$500,000 PURCHASE ORDER TO TD SYNnex / DLT SOLUTIONS FOR AMAZON WEB SERVICES RENEWAL

SUMMARY

The City has steadily increased Amazon Web Services (AWS) use in recent years. This report seeks approval to issue a purchase order not to exceed \$500,000 to TD SYNnex / DLT Solutions allocated for Web Services in the adopted Fiscal Year (FY) 2024-25 Information Technology Fund budget.

PROPOSED MOTION

1. Authorize City Manager, or designee, to execute the OMNIA Cooperative Agreement and/or annual order forms and administer agreement, in a form approved by the City Attorney.
2. Authorize Director of Administrative Services, or designee, to issue a purchase order not to exceed \$500,000 to TD Synnex / DLT Solutions under the OMNIA Cooperative Agreement, as allocated for Web Services in the adopted FY 2024-25 Information Technology Fund budget.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Explore other cloud service providers
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

The City Manager requests approval of the City Council.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

The City Information Technology (IT) Fund (Fund 68) would fund the \$500,000 annual not-to-exceed (NTE) cost for AWS through TD Synnex / DLT Solutions for the current and next fiscal year. The up to \$500,000 cost for AWS includes the services outlined in this report, based on actual consumption charges incurred and may fall below the NTE amount.

The Fiscal Year 2024-25 Adopted Budget includes annual costs for AWS supported by cost allocations to all City departments. Staff would factor Year 2 and 3 cost into future year budgets, subject to annual City Council appropriation.

BACKGROUND AND DISCUSSION

City Amazon Web Services (AWS) usage has steadily increased in recent years, driven by the advantages of cloud hosting over traditional on-premises solutions. Cloud hosting offers enhanced security, reliability, scalability and cost-efficiency. AWS provides robust security measures, including encryption and compliance with various standards, superior to traditional on-premises data centers. Additionally, the AWS scalability allows the City to adjust resources based on demand, ensuring optimal performance and cost management.

The City uses the following AWS services:

- Amazon EC2 for scalable compute capacity
- Amazon S3 for secure object storage and long-term file retention
- AWS Backup for centralized backup and immutable backups
- AWS Elastic Disaster Recovery (DRS) for cross-region disaster recovery
- Amazon Glacier / S3 Glacier Deep Archive for cost-effective long-term archiving
- AWS Identity and Access Management (IAM) for secure access controls and compliance.

The City Purchasing Policy, Administrative Policy No. 4.1.2, allows the City to utilize cooperative purchasing agreements to procure goods and services, including IT software and solutions. Staff seeks to leverage OMNIA Cooperative Agreement #R240304 for a new AWS cloud hosting services contract. OMNIA is a national purchasing cooperative offering public sector entities access to competitively solicited contracts with best-in-class suppliers. The City can benefit from pre-negotiated pricing, terms and conditions,

reducing the time and effort required for procurement and ensuring cost-effective solutions under this agreement

Staff recommends contracting with TD Synnex / DLT Solutions under the OMNIA cooperative agreement to obtain AWS services and support up to \$500,000 per calendar year through 2027. TD Synnex bills the City monthly for AWS charges based on consumption. The OMNIA agreement will end in 2027 at which time staff would seek another cost-effective cooperative agreement to renew AWS services.

Cost Savings Achieved by AWS Transition

Transitioning to cloud hosting reduces dependence on physical infrastructure, maintenance and energy consumption associated with on-premises data centers. Additionally, the AWS pay-as-you-go pricing model allows the City to pay only for resources used, leading to more efficient budget management. The scalability of AWS ensures the City can adjust resources based on demand, avoiding over-provisioning and under-utilizing infrastructure. These factors contribute to overall cost savings and improved financial management.

Attachments:

- Attachment 1 – DLT Price Quotation

cc: City Manager Eric J. Levitt