



CITY OF MENIFEE

SUBJECT: Purchase Order with Saitech, Inc. for Information Technology Server Room Battery Backups

MEETING DATE: March 5, 2025

TO: Mayor and City Council

PREPARED BY: Ross Sublett, Management Analyst

REVIEWED BY: Michelle Sarkissian, Interim Chief Information Officer

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the Finance Department to issue a purchase order for a backup universal power supply for the City's servers from Saitech, Inc. in the not-to-exceed amount of \$131,408.60, including taxes and delivery; and
2. Approve and authorize the purchase be made under cooperative purchasing agreement NCPA 01-170 as permitted under Menifee Municipal Code Section 3.12.070 (6); and
3. Approve the budget amendment resolution appropriating \$131,408.60 from Information Technology's fund balance into an account assigned by the Finance Department.

DISCUSSION

In the delivery of municipal services, the City of Menifee relies on an array of modern technology and equipment to ensure efficient, reliable operations across all departments. Critical to this mission is the continuous availability of Information Technology ("IT") systems that support vital City functions. The City of Menifee is committed to maintaining optimal performance and protecting its IT infrastructure. As part of this commitment, the IT Department has identified a pressing need to upgrade the uninterruptible power supply ("UPS") systems within City Hall and the Police Department (PD) Server Rooms.

Purpose and Need

The proposed UPS battery backup units are designed to provide backup power for the critical IT server equipment for a minimum of two hours—extendable up to four hours based on the equipment load in each cage, where the servers and UPS units will be contained. This extended backup duration is essential for preserving system integrity and ensuring uninterrupted operations

during power outages, including emergency events such as wildfires and unanticipated power shutoffs by the electric utility company, Southern California Edison (SCE).

Evaluation of Battery Technologies

In selecting the appropriate UPS battery backup units, staff conducted a comprehensive evaluation comparing Lead-Acid Battery UPS systems and Lithium-Ion Battery UPS systems. While Lead-Acid models, quoted at approximately \$89,000 and offer a functional solution, the decision to move forward with Lithium-Ion units, despite a higher quote of \$121,085, is driven by significant long-term benefits:

- **Extended Lifecycle**
 - Lead-Acid Batteries: Lifespan of approximately 3 years.
 - Lithium-Ion Batteries: Offer an operational lifespan of 5 years. With the addition of an extended warranty, the investment would be effectively secured for 6 years.
- **Cost Efficiency Over Time**
 - Although the upfront cost of Lithium-Ion units is higher, their longer lifecycle and extended warranty provide a more cost-effective solution over the long term by reducing the frequency and expense of replacements.
- **Enhanced Performance and Reliability**
 - Lithium-Ion batteries offer improved energy density, faster charging times, and reduced maintenance requirements, which are critical for maintaining the integrity of City IT systems during outages.
- **Unit Size/Space**
 - Lead-Acid Batteries are larger and heavier, requiring more space in the rack and requiring facility improvements to properly store and cool them.
 - Lithium-Ion Batteries are more compact and lightweight, taking up half the space compared to Lead-Acid batteries. This space efficiency is crucial given the limited rack space available at both the City Hall and the Police Department facilities providing for better use of the existing space without requiring tenant improvements to allow for server room expansion and ventilation and cooling system upgrades.

Operational Benefits

Extended Operational Timeframe

- The proposed UPS units deliver a backup window of at least two hours, with the potential for four hours. This is a significant improvement over current systems that provide only 15 minutes of backup, allowing IT personnel the necessary time to manage system transitions and proper shutdowns.
- By providing extended backup power, these units safeguard essential servers and IT infrastructure from risks associated with sudden power loss, such as data corruption and hardware damage.

Response to Emergencies

- The recent wildfire emergency highlighted vulnerabilities in the City's current power backup strategy. With an extended backup period, critical systems can remain operational during such events, ensuring continuous access to necessary data and services.
- In instances of unexpected SCE shutoffs, the additional backup time allows IT staff to safely shut down systems even after normal working hours, minimizing potential disruptions and data loss.

Coordination with Temporary Generator Operations

- Current protocol requires a minimum of 25 minutes to connect UPS units to a temporary generator when staff are on site. The proposed UPS units' extended backup capability ensures that there is sufficient time to complete this connection, ensuring continuous power supply during outages.

Future Replacement Strategy

The current proposal focuses specifically on City Hall and Police Department buildings. Moving forward, the City plans to implement a broader replacement strategy for UPS units across other sites through ongoing, smaller-scale replacements. The new Lithium-Ion UPS units at City Hall and the Police Department would be replaced every 6 years. In parallel, existing Lead-Acid units will be maintained and repurposed for less critical applications at other sites, ensuring that all City facilities are adequately supported with efficient and reliable backup power solutions.

Vendor Selection/Recommendation for Computer Equipment Purchases

To ensure the City receives the most competitive pricing on the purchase of computer equipment as well as streamline the ongoing purchase of this equipment, the IT Department and Finance Department completed the following process:

1. Identified available cooperative purchasing agreements for the purchase of such equipment.
2. Solicited informal quotes from various vendors with cooperative purchasing agreements for comparative pricing. The structure and pricing of cooperative purchasing agreements can vary, and the City sought comparative pricing to secure the lowest available pricing of such equipment.

Cooperative purchasing agreements let public agencies purchase goods and services through contracts already competitively solicited and awarded by a lead public entity. By participating in cooperative purchasing, organizations can save time and resources. It also allows them to access a wider range of products and services at potentially lower costs. The lead agency conducts the solicitation and bid/RFP process, sets the terms, and awards the contract to a supplier. Other agencies can also use the contract with competitive pricing and terms. Cooperative structures can vary, and thus their purchasing agreements may differ in several aspects such as: terms and conditions, contract offerings, access to documentation and fees and rebates. Understanding these variations helps agencies choose the cooperative that best meets their needs. Menifee Municipal Code Section 3.12.070 (6) allows for the purchase of supplies, equipment and non-professional services through cooperative purchasing agreements.

Competitive quotes were requested from three prospective vendors with cooperating purchasing pricing through National Cooperative Purchasing Alliance (NCPA), OMNIA, and California multiple Award Schedules (CMAS) programs. The City received responses back from three vendors for Battery Backups as summarized in Table 1 on the following page.

TABLE 1 – BATTERY BACKUPS

Vendor Name	Lowest Pricing	Pricing	Cooperative Agreement Number
Howard Technology Solutions		\$145,380.26	CA CMAS Contract 3-24-03-1042
Saitech, Inc.	X	\$131,408.60	NCPA 01-170
SHI		\$151,257.94	OMNIA 2018011-02

Saitech, Inc., was chosen based on being the lowest bidder.

STRATEGIC PLAN OBJECTIVE

Safe and Vibrant Community

FISCAL IMPACT

The fiscal impact for the proposed purchase with Saitech is \$131,408.60. Funding for the proposed purchase would be appropriated into the FY 2024/2025 budget within the IT Fund in the Capital Outlay account for Equipment (1110-ITD-ITAD-660010) out of available fund balance.

ATTACHMENTS

1. Saitech Inc – NCPA Quote
2. Saitech Inc NCPA 01-170 Agreement
3. Budget Amendment Resolution (BAR)