



- **Board of Directors**
Engineering, Operations, and Technology Committee

4/8/2025 Board Meeting

7-2

Subject

Authorize an agreement with Red8 in an amount not to exceed \$850,000 for the implementation of the Data Storage Infrastructure Refresh project; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The digital storage system is a critical information technology component used by over 200 Metropolitan applications and systems, including all critical applications such as Supervisory Control and Data Acquisition and Oracle Financial System. Six hundred and sixty-seven terabytes out of 1,187 terabytes (TB), or 56 percent of total digital storage, will go out of manufacturer support in July 2025. The network switches supporting these systems will also need to be upgraded.

This project will eliminate the risks associated with an unsupported digital storage system, such as the lack of cybersecurity patches for emerging cyber threats and no hardware failure support. Additionally, it will provide the necessary storage for future data growth at Metropolitan.

Red8 will provide 790 terabytes of Dell's new digital storage system called PowerStore-5200. This equipment is not expected to go out of support for at least five years. Red8 will also upgrade the necessary network switches and provide installation/implementation services.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize an agreement with Red8 in an amount not to exceed \$850,000 for the implementation of the Data Storage Infrastructure Refresh project.

Fiscal Impact: Expenditures of \$850,000 in capital funds for FY 2024-2026

Business Analysis: It will replace an existing Dell storage component that is reaching end-of-life with new Dell storage. Additionally, the project will enhance the total storage capacity of Metropolitan's IT systems to accommodate future data growth.

Option #2

Do not proceed with the storage infrastructure refresh project.

Fiscal Impact: \$0

Business Analysis: It will leave Metropolitan with part of our storage infrastructure unsupported, significantly increasing maintenance and support issues for business-critical applications. Additionally, there will be no storage available for future data growth for all applications.

Alternatives Considered

Option #2

Applicable Policy

Metropolitan Water District Administrative Code Section 5108: Appropriations.

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts.

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities.

Related Board Action(s)/Future Action(s)

Not applicable

Summary of Outreach Completed

Not applicable

California Environmental Quality Act (CEQA)

CEQA determination(s) for Option #1:

The proposed action is exempt from CEQA because there is no potential for the activity in question to have a significant effect on the environment. (State CEQA Guidelines Section 15061(b)(3)).

CEQA determination(s) for Option #2 :

None required

Details and Background

Background

At Metropolitan, a component of the digital data storage pool is reaching end-of-life in July 2025, after which the manufacturer (Dell) will no longer provide support. This component of Metropolitan's information technology system needs to be replaced. Additionally, staff recommends adding more storage to its current storage pool at this time to accommodate data growth across all applications. This project will mitigate the risks associated with unsupported hardware while also providing the necessary storage capacity for future data growth at Metropolitan.

Metropolitan initiated the procurement for the storage hardware and installation/implementation services under Metropolitan Administrative Code Section 8140(1)(l), which allows Metropolitan to "piggyback" (i.e., gain access to) contracts established by other public agencies that substantially follow Metropolitan's own competitive procurement process. As the lead agency in 2023, the State of Minnesota, acting through its Commissioner of Administration (State), signed a contract with Dell Technologies through a competitive process to provide Computer Equipment, Peripherals & Related Services. Currently, 32 states, including California, participate in this cooperative purchasing program, known as the National Association of State Procurement Officials (NASPO). Dell offers NASPO ValuePoint Computer Equipment, Peripherals & Related Services under Master Contract Number 23026. Metropolitan utilized the Dell NASPO contract to obtain discounts for storage hardware and deployment/implementation services through a quote from Dell through its preferred partner, Red8, authorized to Dell by NASPO Master Contract Number 23026.

This action authorizes \$850,000 for the implementation of the Data Storage Infrastructure Refresh project (790 terabytes). The total project budget includes funds for awarding a new contract with Red8 for \$838,000 for 790 TB of storage and network switches and \$12,000 for installation and implantation services. Other costs included are \$36,500 for internal labor costs by Metropolitan staff, including owner costs and project management, and \$98,500 in contingency funds.

This project has been evaluated and recommended by Metropolitan’s Capital Investment Plan Evaluation Team, and funds are available within the fiscal year 2024/25 capital expenditure plan. See **Attachment 1** for the Financial Statement.

Project Milestone(s)

Project kickoff and planning – May 2025

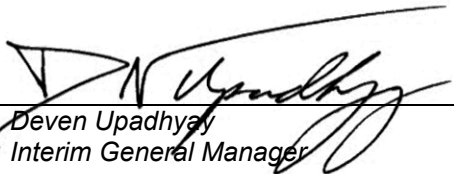
Complete storage deployment and verification – End of July 2025

Complete storage configuration – End of September 2025



Charlie Eckstrom
Group Manager, Information Technology

3/28/2025
Date



Deven Upadhyay
Interim General Manager

3/28/2025
Date

Attachment 1 – Financial Statement

Ref# it12700698

Allocated Funds for Data Storage Infrastructure Refresh

	Current Board Action (Apr. 2025)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt.)	36,500
Submittals Review & Record Drwgs	-
Construction Inspection & Support	-
Metropolitan Force Construction	-
Materials & Supplies	838,000
Incidental Expenses	-
Professional/Technical Services	12,000
Equipment Use	-
Contracts	-
Remaining Budget	98,500
Total	\$ 985,000