

## **BOARD AGENDA ITEM**

October 27, 2020

### ***SUBJECT:***

Request for Acquisition of New Virtual Server Infrastructure

### ***BACKGROUND INFORMATION:***

The District's current server infrastructure is almost five years old and nearing the end of its warranty/life. The Technology Department has notified the Administration of a need to replace the current infrastructure to ensure consistent, efficient, and reliable operations and in consideration of the number of additional devices on the server.

### ***ADMINISTRATIVE CONSIDERATION:***

The Technology Department has identified a Nutanix software/Lenovo hardware system sold by Data Network Solutions (DNS) for the replacement. The total cost of the system, including installation and tax, is \$851,114.21. It would be payable in two annual installments of \$430,751.27 (slightly more than half of the total cost due to finance charge). The product is covered under State Contract.

The Five Year Facilities Plan ("8% money") includes \$700,000 for technology infrastructure in the 2020 – 2021 school year, and pending any revision in the upcoming annual update, \$2,000,000 for technology infrastructure in 2021 – 2022. Prior year carryover funds are also available. Those sources would be used to fund the purchase.

This is a request to utilize funds already earmarked for technology, not a request for additional funding.

### ***RECOMMENDATION:***

Approve the purchased of the new virtual server infrastructure using funds approved in the Five Year Facilities Plan.

### ***ATTACHMEMTS:***

Quote and payment details

### ***PREPARED BY:***

M. O. Traxler III  
Corey Murphy  
Don Pencille



Key Government Finance, Inc.  
1000 South McCaslin Blvd.  
Superior, CO 80027  
720-304-1146



Key Government Finance is pleased to present the following proposal for the transaction described below:

**LESSOR:** Key Government Finance, Inc.  
**LESSEE:** Aiken County School District  
**PROPERTY:** See DNS Quote #QACSNUT102020-1  
**EXPIRATION:** November 20<sup>th</sup>, 2020

**LEASE  
QUOTE:**

Amount	Rate	Payment	Pmts / Year	Term Years	Adv. / Arr.
\$851,114.21	2.68%	\$430,751.27	1	2	Adv

**LEASE:** This is a tax-exempt, municipal government lease with the title to the property passing to Lessee. This is a net lease under which, all costs, including insurance, maintenance and taxes, are paid by Lessee for the term of the lease.

**NOTES:** Transaction must fund by lease proposal expiration date.

**APPROVAL:**

- This proposal is issued in reliance upon the accuracy of all information presented by you to us and is contingent upon the absence of any material adverse change in your condition, financial or otherwise, from the condition as it was represented to us at the time of this proposal. This proposal is subject to our formal approval and the execution of documentation acceptable to each of us. IT IS NOT A COMMITMENT BY US TO ENGAGE IN THIS TRANSACTION.

(a) Key Government Finance ("KGF") is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (b) KGF is acting for its own interests; and (c) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

- If the outlined foregoing proposal is satisfactory, reflects an arrangement that suits the need of your organization and you would like Key to commence its due diligence process, please sign and return this proposal.
- **IMPORTANT INFORMATION ABOUT PROCEDURES FOR APPLYING FOR FINANCING WITH Key Government Finance.**

Lessor notifies Lessee that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, as amended and supplemented) (the "Patriot Act"), that Lessor is required to obtain, verify and record all information that identifies Lessee, which information includes the name and address of Lessee and other information that will Lessor to identify Lessee in accordance with the Patriot Act.

- The interest rate quoted herein assumes that the interest component of the Payments is exempt from federal income tax. Lessor will provide a taxable financing proposal if it is determined that the financing will not qualify for tax-exempt interest rates.
- Rate and payments quoted in this proposal are based on KeyCorp's cost of funds as of date issued (This can be benchmarked to the current midterm swap rate as of issue date) and shall be subject to adjustment three (3) days prior to closing based on any movement in KeyCorp's cost of funds if this financing closes after Expiration provided Lessee notifies the Lessor via email of their intent to proceed with this offer within 7 business days of receipt.

Thank you for the opportunity to present this proposal. If you have any questions, please contact me at my number or e-mail address below. If you wish to accept this proposal, please do so by signing below and returning this proposal to me via FAX or e-mail. Upon receipt of this proposal, Lessor will promptly begin its credit, collateral and essential use review process.

Sincerely,

Sent via email

Nick Ferrari  
Account Executive  
215-499-9303 (Phone)  
Nicholas.Ferrari@key.com

Proposal Accepted by Lessee:

By:

Title:

Date:



Dan Pendille  
Aiken County Public School District  
1000 Brookhaven Drive  
Aiken, SC 29803  
[dpendille@aicpsd.net](mailto:dpendille@aicpsd.net)  
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Jack Davis  
Account Executive  
Data Network Solutions  
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(803) 991-3046  
[www.datanetworksolutions.com](http://www.datanetworksolutions.com)

Quote# QNCS00110200-1  
Project: Lenovo / Network - 8 Node H3550 with APC Rack UPS & Data Switches - turn key offering

Part #	DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE
Lenovo 7Y8A554000	LENOVO DATA CENTER - Custom H3550 ACSD MCG0051752 ent10/21/20	8	\$ 68,064.61	\$ 544,516.88
SP5/A08B28	LENOVO DATA CENTER - PROTECTION PRE-Ess - SY 2K47K4 + Y0YD	8	\$ 1,829.11	\$ 14,632.88
Lenovo 4547A67814	LENOVO DATA CENTER - Supply Chain Surcharge	1	\$ 182.87	\$ 182.87
APC/Schneider Electric AR3100	APC NetShelter SX 42U Server Rack Enclosure 600mm x 1070mm w/ Sides Black	1	\$ 1,159.41	\$ 1,159.41
APC/Schneider Electric AR8070	Rack PDU 26, Metered, 20A, 120/208V, (16) 5-20R (12) C13 (2) C19	2	\$ 561.18	\$ 1,122.36
APC/Schneider Electric SYABK16RMP	APC Symmetra LX 8kVA Scalable to 16kVA N+1 Rack-mount, 208/240V	1	\$ 10,111.76	\$ 10,111.76
APC/Schneider Electric SYPM4RP	APC Symmetra LX 4kVA Power Module, 200/208V	1	\$ 1,921.76	\$ 1,921.76
APC/Schneider Electric AR136BLK	APC 1U 19" Black Modular Toolless Blanking Panel - Qty 10	8	\$ 42.35	\$ 127.05
APC/Schneider Electric AR3100	APC NetShelter SX 42U Server Rack Enclosure 600mm x 1070mm w/ Sides Black	1	\$ 1,159.41	\$ 1,159.41
APC/Schneider Electric SYABK8RMP	APC Symmetra LX 8kVA Scalable to 8kVA N+1 Rack-mount, 208/240V	1	\$ 10,111.76	\$ 10,111.76
APC/Schneider Electric AR8070	Rack PDU 26, Metered, 20A, 120/208V, (16) 5-20R (12) C13 (2) C19	2	\$ 561.18	\$ 1,122.36
APC/Schneider Electric SYPM4RP	APC Symmetra LX 4kVA Power Module, 200/208V	1	\$ 1,921.76	\$ 1,921.76
APC/Schneider Electric AR136BLK	APC 1U 19" Black Modular Toolless Blanking Panel - Qty 10	3	\$ 42.35	\$ 127.05
Cisco N9K-C93180YC-FX-24	NEXUS 9K FX W/ 24P 10/25G AMP GP 100G	4	\$ 11,947.55	\$ 47,790.20
Cisco CON-SMT-N9K-C931	SNIC-8X50NBD UNLIMITED ORDERABILITY	20	\$ 766.38	\$ 15,327.60
Cisco C1A1T93300X-3Y	ONE ADVANTAGE TERM N9300 3Y 3YR	4	\$ 11,237.19	\$ 44,948.76
Enet SFC2-C01B-3M-ENC	10GBASE-CU SFP+ Passive Twisted Direct Attach Cable Assembly 3M Cisco to IBM/Lenovo Compatible	16	\$ 42.67	\$ 682.72
Enet GLC-TE-ENC	10/100/1000BASE-T SFP Copper 100m RJ-45 Connector Ext. 100m Cisco Compatible	8	\$ 37.33	\$ 298.64
Enet SFP-H10GB-CU4M-ENC	10GBASE-CU SFP+ 4m Twisted Cable Cable Assembly Cisco Compatible	4	\$ 37.33	\$ 149.32
Enet SFP-H10GB-CU50CM-ENC	10GBASE-CU SFP+ Passive Copper Direct-Attach Cable Assembly 50cm Cisco Compatible	20	\$ 26.67	\$ 533.40
Annual Maintenance - Lenovo				\$ -
APC/Schneider Electric WMD1VOSMBD-MDC-01B	1 YR Service Coverage with Monitoring & Dispatch for MDC Level 1B - NMC Required	1	\$ 485.00	\$ 485.00
APC/Schneider Electric WASSM1UPS-SR-SY-00	Scheduled SMB Assembly and Power-Up Service	1	\$ 1,030.00	\$ 1,030.00
APC/Schneider Electric WMD1VOSMBD-MDC-01B	1 YR Service Coverage with Monitoring & Dispatch for MDC Level 1B - NMC Required	1	\$ 485.00	\$ 485.00
APC/Schneider Electric WASSM1UPS-SR-SY-00	Scheduled SMB Assembly and Power-Up Service	1	\$ 1,030.00	\$ 1,030.00
Lenovo 00Y3492	Lenovo Deployment Services: Deploy and configure production and DR sites. Configuration of xClarity system monitoring, Replication configuration for disaster recovery, Nutanix FLOW security workshop, Knowledge transfer	36	\$ 2,251.86	\$ 81,066.96
DNS DNS Services	2 Annual Fitness Service engagements	4	\$ 2,000.00	\$ 8,000.00
DNS DNS Services	Cisco install of Top of Rack Switches both locations	5	\$ 2,000.00	\$ 10,000.00
TOTAL \$				\$851,114.21
TAX \$				\$51,069.30
TOTAL w/TAX				\$902,183.51

Contract: State of SC 4400018985  
Prepared by: Jack Davis  
Date: 10/20/20  
DNS reserves the right to amend quotation if errors or omissions occur.  
All information contained in this quote is confidential and not to be shared with any third parties unless authorized by DNS  
Taxes, Shipping and Handling not included, and are billed as incurred.  
Credit Card orders are subject to a 3% surcharge.  
Returned hardware may be subject to a 25% restocking fee.  
All returns must be within 30 days of receipt. Be pre-approved and have an DNS RMA#.  
Terms are net 30 days from receipt of invoice. Accounts over 30 days subject to 18% late fees.  
\*\*Purchase Orders can be emailed to [orders@datanetworksolutions.com](mailto:orders@datanetworksolutions.com)