



City of Austin

Recommendation for Action

File #: 26-2608, **Agenda Item #:** 15.

10/8/2026

Posting Language

Authorize a contract for VMware software platform licenses, maintenance, and support services for all City departments with GTS Technology Solutions, Inc., for an initial term of one year in an estimated amount of \$6,330,000 with up to four one-year extension options each in an estimated amount of \$6,330,000 for a total contract amount not to exceed \$31,650,000. Funding: \$6,330,000 is available in the Fiscal Year 2026-2027 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Austin Financial Services.

Client Department(s)

All City Departments.

Fiscal Note

Funding: \$6,330,000 is available in the Fiscal Year 2026-2027 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Procurement Language:

Multiple cooperative purchase programs were reviewed for these services. Austin Financial Services has determined this contractor best meets the needs of all City departments to provide these services required for the City.

MBE/WBE:

Cooperative Agreement contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to Austin Financial Services - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Additional Backup Information:

The contract is for licenses, maintenance and support services for the VMware software platform. The solution provides information technology service delivery, management, workflow, and disaster recovery for virtual server resources for all City departments. The solution allows access to the most up to date software patches and around the clock vendor support, providing the best level of protection of City resources and data. VMware software platform is the virtualization hypervisor that provides the ability to combine multiple virtual servers on to one physical server or into a resources pool, for greater operation of the Information Technology server hardware investments. The City currently uses this software to support all servers, applications, and data in both data centers and all departments citywide.

This contract replaces the previous agreement. The current provider has communicated that they are no

longer authorized resellers, which requires the City to end the agreement earlier than planned. The recommended contractor is not the current provider for these services. The requested authorization is based on the current and anticipated usage.

Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If this contract is not approved the City could lose access to updates, security fixes, and technical help, making the systems less secure, increasing the risk of breaches, and harder to manage.

Contract Details:

Contract Term	Length of Term	Contract Authorization
Initial Term	1 year	\$6,330,000
Optional Extension 1	1 year	\$6,330,000
Optional Extension 2	1 year	\$6,330,000
Optional Extension 3	1 year	\$6,330,000
Optional Extension 4	1 year	\$6,330,000
Total	5 years	\$31,650,000

Note: Contract authorization amounts are based on the City's estimated annual usage and may be more or less in the initial term and in each exercised optional extension; however, the total contract amount will not exceed \$31,650,000.