

Committee Report

Management Committee



Committee meeting date: April 22, 2026

For the Metropolitan Council: May 13, 2026

Business Item: 2026-75

Virtualization Platform Renewal, Contract 26P087

Proposed action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 26P087 with Peller Technologies d.b.a. Paragon Development Systems to renew VMware Cloud licensing and support services for an amount not to exceed \$2,600,000.

Summary of Management Committee discussion/questions

Chief Information Officer Gretchen White presented the item and explained that, since Broadcom acquired VMware after the Council's last subscription purchase, Information Services needed to change its renewal approach. Under Broadcom, there are now fewer purchasing options for VMware, including new minimum requirements and the need for longer-term renewals to keep pricing down. As a result, the proposed renewal reflects a 20 percent increase compared to the Council's previous VMware purchase.

Motion by Osman, seconded by Jenkins. Motion carried.



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District(s), member(s):	All
Policy/legal reference:	FM 14-2, Expenditures for the Procurement of Goods, Services, and Real Estate Policy; Minn. Stat. § 471.345
Staff prepared/presented:	Gretchen White, Chief Information Officer, Information Services (IS), 651-602-1443
Division/department:	Regional Administration/Information Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute contract 26P087 with Peller Technologies d.b.a. Paragon Development Systems to renew VMware Cloud licensing and support services for an amount not to exceed \$2,600,000.

Background

The Council relies extensively on Broadcom's VMware platform to support its core technology infrastructure and critical business operations. VMware's virtualization products allow operations to run multiple "virtual" computers on one physical machine both on premise and in our cloud environments. These platforms ensure the stability, security, and performance required for delivering essential public services throughout the region.

The IS Department is requesting a five-year renewal term from June 1, 2026, through June 31, 2031.

To procure this software subscription, the Council will utilize State of Minnesota released Contract T-653(5) which is a multi-vendor cooperative agreement for purchasing VMware solutions. The Council has statutory authority under Minnesota Statutes §471.345 to utilize such cooperative service agreements.

Rationale

The execution of a services contract that exceeds \$2,000,000 requires Council approval.

Thrive Lens Analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this action advances the Thrive outcome of Equity by investing to build a more equitable region through partnerships with MCUB vendors.

Funding

Funding for this agreement is included in the Information Services operating budget.

Small Business Inclusion

The Office of Equity and Equal Opportunity did not establish a Metropolitan Council Underutilized Business (MCUB) goal as this contract will be procured utilizing State of Minnesota Contract T-653(5).

