



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY					
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory					
Council Meeting Date:		12/9/2013			
Department:		Technology Services			
Department Head		David Stephens			
Agenda Coordinator (include phone #): Dianna Wike x7549					
CAPTION					
To approve the purchase of Microsoft software licenses for one year with one City optional one year renewal, through a Microsoft Enterprise Agreement in the annual amount of \$896,476, from SHI Government Solutions, Inc. through an existing DIR (Department of Information Resources) contract and authorizing the City Manager to execute all necessary documents. (DIR-SDD-2503)					
FINANCIAL SUMMARY					
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP					
FISCAL YEAR:	2013-14, 2014-15	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget		0	3,291,924	896,476	4,188,400
Encumbered/Expended Amount		0	-909,001	0	-909,001
This Item		0	-896,476	-896,476	-1,792,952
BALANCE		0	1,486,447	0	1,486,447
FUND(S): TECHNOLOGY SERVICES FUND					
<p>COMMENTS: This item approves price quotes and expenditure for FY 2013-14. Funds are available in the Technology Services Budget for annual maintenance contracts and licensing renewals. Expenditures will be made within the approved budget appropriations for each year of the contract. The not to exceed annual contract amount for both 2013-14 and 2014-15 is \$896,476. The 2013-14 remaining balance will be used for other maintenance agreements and contracts.</p> <p>STRATEGIC PLAN GOAL: True-up and Annual Microsoft License renewals relate to the City's Goal of Financially Strong City with Service Excellence.</p>					
SUMMARY OF ITEM					
Technology Services staff recommends approval of the purchase of Microsoft software licenses for one year with one City optional one year renewal through a Microsoft Enterprise Agreement from SHI Government Solutions, Inc., utilizing their DIR Contract, in the annual amount of \$896,476. The Microsoft Enterprise agreement allows the City of Plano to use a defined number of licenses for all Microsoft products and perform true-up at the end of the year. This alleviates the burden of ordering software licenses for each new installation by allowing for a mass update at the end of the year. The City is authorized to purchase from the State Contract list pursuant to Chapter 271 Subchapter D of the Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (DIR-SDD-2503)					



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List of Supporting Documents: Memorandum	Other Departments, Boards, Commissions or Agencies



Memorandum

Date: November 21, 2013
To: Diane Palmer-Boeck, Chief Purchasing Officer
From: David Stephens, Director Technology Services
Subject: Microsoft Enterprise Agreement Renewal

Technology Services proposes changing its Microsoft Enterprise Agreement (EA) from Dell Marketing, LP to SHI-Government Solutions, Inc. (SHI). SHI currently holds the master contract with the State of Texas Department of Information Resources for all Microsoft Enterprise Agreement contracts issued to any governmental agency in Texas. The contract number is DIR-SDD-2503. Dell Marketing, LP had held the DIR contract last year but they lost the master contract after it was rebid.

The Microsoft Enterprise Agreement allows the City of Plano to use a defined number of licenses for all Microsoft products and perform a true-up at the end of the year. This alleviates the burden of ordering software licenses for each new installation by allowing for a mass update at the end of the year. This facilitates the deployment process and reduces the amount of paperwork required to keep track of licenses for compliance purposes.

Through the Microsoft EA, and the associated Subscription Assurance (SA), there are other benefits provided to the City including training vouchers for technical training, reduced pricing for home use of selected Microsoft software, the ability to upgrade or downgrade licenses based on specific needs, and access to Microsoft's TechNet portal for early access to software and problem resolution. If these features were purchased individually they would cost substantially more than as part of the SA bundle.

If we do not renew our Microsoft EA, the City of Plano will have to purchase licenses for all the Microsoft products that are currently being used at retail prices. This cost for procuring all these licenses would be substantially more than the renewal cost of the EA.

This will be a two year agreement with both years having a not to exceed price of \$896,475.56 for each year.