



**CITY OF PLANO  
COUNCIL AGENDA ITEM**

<b>CITY SECRETARY'S USE ONLY</b>				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		06/28/10		
Department:		Technology Services		
Department Head		David Stephens		
Agenda Coordinator (include phone #): <b>Amy Powell X7342</b>				
<b>CAPTION</b>				
To approve and authorize Contract Modification No. 1 for the purchase of an upgrade to our existing Microsoft Enterprise Agreement, in the amount of \$95,688 from Dell Marketing, LP. This modification will provide for the addition of Microsoft Business Productivity Online Standard Suite hosted by Microsoft and authorizing the City Manager to execute all necessary documents.				
<b>FINANCIAL SUMMARY</b>				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	<b>Prior Year (CIP Only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Budget	0	95,688	378,765	<b>474,453</b>
Encumbered/Expended Amount	0	0	0	<b>0</b>
This Item	0	-95,688	-378,765	<b>-474,453</b>
BALANCE	0	0	0	<b>0</b>
<b>FUND(S):    TECHNOLOGY SERVICES FUND</b>				
<p><b>COMMENTS:</b> Funding of \$95,688 to add the Business Productivity Online Standard Suite hosted by Microsoft for the remaining six months of the current Microsoft Enterprise annual agreement is available within the 2009-10 Technology Services Budget. Future Hosted Exchange (email) costs will be added to the annual Microsoft Enterprise contract renewal pricing for the remaining two years of the enterprise agreement, for an additional contract cost of \$189,382.50 per year. Future funding is subject to budget appropriations in each fiscal year.</p> <p>Strategic PLAN GOAL: Vendor hosting of email storage and archiving, video conferencing and other business productivity applications relates to the City's Goal of "Financially Strong City with Service Excellence".</p>				
<b>SUMMARY OF ITEM</b>				
<p>Staff recommends approval of this contract modification, in the amount of \$95,688 for the remaining six months of the contract year with our enterprise agreement with Dell Marketing, LP, to upgrade our current enterprise agreement to include Hosted Exchange. This new service will be rolled into our next annual contract for the remaining two (2) years of our enterprise agreement. This offering from Dell Marketing, LP, will provide the City with a scalable, cost-effective solution for Exchange (email), video conferencing and other business productivity applications. Staff has identified \$897,379 over the next three years of email related costs the City will avoid by hosting our email at Microsoft. The City is authorized to purchase from the State contract list pursuant to Section 271, Subchapter D of the Local Government Code, and by doing so, satisfies any state law requiring local government to seek competitive bids for items. (DIR-SDD-1014).</p>				



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List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Contract Modification No. 1 and Staff Memo	

# Interoffice Memo

Date: 06/14/2010

To: David Stephens, Director Technology Services

Cc:

From: Chester M. Helt, Infrastructure Manager

RE: Upgrade our Microsoft Enterprise Agreement to include Hosted Exchange

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We are recommending to Council that we add the Microsoft Business Productivity Online Standard Suite hosted by Microsoft to our existing enterprise agreement with Microsoft. This offering from Microsoft will provide us with a scalable, cost-effective solution for Exchange (email), video conferencing and other business productivity applications. We have identified \$897,379 over the next three years of email related costs the city will avoid by hosting our email at Microsoft. Some of the avoided costs are related to future storage requirements for our email and the associated archive copies of the email. Further cost avoidance will be realized by reducing our backup costs for the email and archive data.

The additional cost for the first year will be \$95,688.00 for the remaining six months of this contract year with our enterprise agreement. This new service will be rolled into our next annual contract date for the enterprise agreement for the remaining two years of our enterprise agreement. This upgrade is to be purchased from Dell Marketing LP, a Texas DIR vendor with the DIR contract number DIR-SDD-1014.

**THE STATE OF TEXAS**    §            **First Modification of Contract**  
    §            **By and Between City of Plano and**  
    §            **Dell Marketing LP, a Subsidiary of**  
**COUNTY OF \_\_\_\_\_**    §            **Dell Inc.**

THIS FIRST MODIFICATION OF Contract (hereinafter "First Modification") is made and entered into on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between **DELL MARKETING, LP, A SUBSIDIARY OF DELL, INC.** (hereinafter "Contractor"), Plano, Texas, and the **CITY OF PLANO, TEXAS**, a home rule municipal corporation (hereinafter "City"), acting by and through its City Manager or his designee.

**WITNESSETH:**

**WHEREAS**, City and Contractor entered into an Agreement on March 25, 2010 (hereinafter "Agreement") for Software Licensing (hereinafter "Services"); and

**WHEREAS**, City and Contractor desire to amend such Agreement in certain respects as set forth herein in this First Modification.

**NOW THEREFORE**, the Agreement is incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Agreement shall remain unchanged and shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions set forth in this First Modification and the Agreement, priority of interpretation shall be in the following order: First Modification, Agreement. In consideration of the foregoing, and for other good and valuable consideration, the parties hereto agree as follows:

**I.**

Beginning on the effective date of this Modification and continuing through the remaining term of the Agreement, Section I. Scope of Services is hereby modified to include the service as further described in the attached Exhibit "A-1."

**II.**

Beginning on the effective date of this Modification and continuing through the remaining term of the Agreement, Section III. Payment is hereby modified to increase the amount of the contract by **NINETY-FIVE THOUSAND SIX**

**HUNDRED EIGHTY-EIGHT AND 00/100 DOLLARS (\$95,688.00)** to provide for the additional service as described in the attached Exhibit "A-1."

**IN WITNESS WHEREOF**, the parties enter into this First Modification on the date first written above.

**DELL      MARKETING      LP,      A  
SUBSIDIARY OF DELL INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF PLANO, TEXAS**

By: \_\_\_\_\_  
Thomas H. Muehlenbeck  
CITY MANAGER

APPROVED AS TO FORM:

\_\_\_\_\_  
Diane C. Wetherbee, CITY ATTORNEY

**ACKNOWLEDGMENTS**

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF \_\_\_\_\_** §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by \_\_\_\_\_, \_\_\_\_\_ of **DELL MARKETING LP, A SUBSIDIARY OF DELL INC.**, a limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public, State of Texas

**STATE OF TEXAS**       §  
                                  §  
**COUNTY OF COLLIN**   §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by **THOMAS H. MUEHLENBECK**, City Manager of the **CITY OF PLANO, TEXAS**, a home-rule municipal corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public, State of Texas



Texas Price

DIR-SDD-1014

Agency Name: City of Plano

Contact:

Email/ Fax:

Date: 6-15-2010

Quote Expires: 30 Days After Quote Date

**YEAR 1**

Product Description

BPOStdSte ShrdSvr ALNG SubsVL MVL PerUsr FromEntCALSA  
ExchgHstdArchv ALNG SubsVL MVL PerUsr

Manufacturer Part No.

Qty.

ERP

Unit Price

Ext. Price

T6A-00003	2500	\$ 27.00	\$ 21.53	\$ 53,824.50
74P-00002	2500	\$ 21.00	\$ 16.75	\$ 41,863.50

Total: \$ 95,688.00

Brad Hickey

Sr. Account Exec

Dell | ASAP Software

850 Asbury Drive

Buffalo Grove, IL 60089

Email: bradley\_hickey@dell.com

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