



Legislation Text

File #: 15-0523, **Version:** 1

Resolution to Approve Renewal of a Three-Year Enterprise Agreement with Microsoft Corporation and Related Three-year Payment Plan to Dell Marketing L.P. (\$773,407.02)

The attached resolution seeks authorization to approve the third renewal of a three-year Enterprise Agreement with Microsoft Corporation, payable in three annual installments, for FY2016, FY2017 and FY2018 in the amount of \$257,802.34 each year to Dell Marketing L.P., totaling \$773,407.02, subject to annual budget approvals.

Fiscal/Budget Impact: This expenditure is planned for and budgeted in the FY2016, FY2017 and FY2018 Information Technology Services Fund budget.

The City of Ann Arbor received three quotations for renewal of the Microsoft Enterprise Agreement and Dell Marketing L.P. submitted the lowest quotation.

This renewal agreement provides the City access to current software licenses, upgrades and maintenance for Microsoft Windows Desktop Operating Systems, Office365, Windows Server Client Access Licenses, Exchange Mail Client Access Licenses, SQL Server and SharePoint Server Client Access Licenses.

This agreement also provides the City of Ann Arbor the ability to spread the payments over three year timeframe, continues to provide City employees access to enhanced technical support, technical training vouchers and provides annual strategic consulting services.

Funds for this maintenance expense are budgeted and approved in the FY2016 Information Technology Service Fund Budget and planned for in the FY2017 and FY2018 IT Fund Budgets. Authorization of the payment plan will allow for the issuance of a Purchase Order in the amount of \$257,802.34 for FY2016, as well as the authorization of payment of the balance by purchase orders of \$257,802.34 in both FY2017 and FY2018, subject to and subsequent to annual budget approvals in each fiscal year. Under the terms of the Agreement, it may be terminated for non-appropriation if FY2017 and FY2018 funding is not approved.

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Reviewed by: Tom Shewchuk, IT Director, ITSU

Tom Crawford, Financial Services Administrator and CFO

Approved by: Steven D. Powers, City Administrator

Whereas, The City of Ann Arbor requires that Microsoft Client Access Licenses for Office365, Windows Server, Exchange Mail, SQL Server and SharePoint Server be maintained to efficiently and effectively operate and sustain the City's network computing environment and continue to enhance the level of city service delivery;

Whereas, The City of Ann Arbor requires that Microsoft Windows Desktop Professional Client Access Licenses be maintained for the effective management, operation and protection of the City's desktop and laptop operating systems;

Whereas, Renewal of the Microsoft Enterprise Agreement will continue to provide the City of Ann Arbor access to enhanced technical support, three years of unlimited technical training, up to \$25,000.00 of annual strategic consulting services;

Whereas, Renewal of the Microsoft Enterprise Agreement provides the City of Ann Arbor the flexibility of spreading the payments for the purchase of this 36-month maintenance agreement over three fiscal years;

Whereas, Funding for this expenditure is planned for and budgeted for in the FY2016 Information Technology Budget; and

Whereas, The City has planned for the Enterprise Agreement in the FY2017 and FY2018 Information Technology Fund;

RESOLVED, That City Council approve renewal of a Three-Year Enterprise Agreement with Microsoft Corporation and Related Three-Year Payment Plan with Dell Marketing L.P. for a total of \$773,407.02, subject to annual budget appropriations during the term of the Agreement;

RESOLVED, That City Council approves a purchase order in the amount of \$257,802.34 for FY20016 to Dell for year one of the Agreement; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this Resolution regardless of fiscal year, including the execution of any renewal documents required by Microsoft or Dell after approval as to form by the City Attorney.