

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: 5/28/2013		DATE SUBMITTED: 5/10/2013	
DEPARTMENT OF ORIGIN: Information Technology		SUBMITTED BY: Felipe Othick	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input checked="" type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> STATUTORY		<input type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input checked="" type="checkbox"/> INFRASTRUCTURE
			<input type="checkbox"/> QUALITY OF LIFE
AGENDA ITEM DESCRIPTION: Consider City Council authorization to sign a new three (3) year Microsoft Enterprise Agreement for a three (3) year cost not to exceed \$398,736.48.			
<p>SUMMARY STATEMENT: This proposed agreement provides licensing rights to the most current version of software on the Microsoft Enterprise platform of products through Dell Computers. For year one of this agreement, the City will use DIR agreement number DIR-SSD-1014 for which year 1 pricing is \$132,912.16. A new DIR contract will be negotiated between Microsoft and their business partner will determine the pricing for year 2 and 3 of the City's agreement for "true-up" purposes. True-up is the process of calculating what licenses were purchased in the previous year with the number of licenses being used in the current year. Cost is not expected to exceed the total 3 year cost of \$398,736.48. This agreement provides the City with the licensing rights to install Microsoft products on City equipment as well as upgrade to the latest version at no charge for the duration of the agreement until the next true-up process. As a result, the agreement provides the flexibility to add MS applications to new computers and servers as needed, without violating licensing regulations.</p> <p>In 2004, the City of Bryan entered into a three year agreement with Microsoft to provide software upgrades and support enterprise-wide instead of managing individual software licenses for a total cost of \$235,014.00. This agreement was renewed for an additional three years in June of 2007 at a total cost of \$230,781.00. In June of 2010, the agreement was again renewed for a three year term totaling \$299,269.50. This current proposed agreement will be for an estimated \$398,736.48 split into 3 annual payments of approximately \$132,912.16 per year. The increased cost is due to the addition of 65 new PC's since the last renewal as well as the licensing for the virtualization of approximately 50 additional servers, enhanced security software, and remote management applications.</p> <p>This proposed agreement covers the following items:</p> <ul style="list-style-type: none"> • 600 Desktops • 19 Standard Windows Servers • 8 DataCenter Licenses (Virtual server licenses) • 1 Exchange (Email) Server • 8 SQL Servers • 1 Systems Control Center Manager (includes clients and Anti-virus) • Employee Purchase Program • Training Credits for MS technical training • Phone and web support from Microsoft <p>The agreement provides the following benefits to the City of Bryan: software assurance including unlimited</p>			

upgrades and support on Microsoft Windows and Office software, 30 days of Microsoft training for City technical staff, support for servers and desktops, Employee Purchase Program (at a greatly reduced cost, an employee can purchase Office 2013 for their home computer), a Microsoft HelpDesk (Technet) subscription, and onsite consulting services.

The contract used for this agreement is originally from the State of Texas' Department of Information Resources (DIR). DIR was created to ensure the effective and efficient use of public funds for information technology services and equipment through the application of statewide services and technologies with emphasis on cooperative purchasing projects and pricing. The Interlocal Cooperation Act, Texas Government Code, Chapter 791, authorizes local governments to directly contract with DIR enabling participating entities to take advantage of the purchasing power of the State of Texas. Procuring information technology products and services through DIR contracts saves the City time and money as all products offered have been subjected to a competitive bid process with vendors offering substantial discounts to all participating entities based on the State's anticipated volume of purchases.

STAFF ANALYSIS AND RECOMMENDATION:

A. PROS: Typically software is licensed by the purchase and is not upgradable or transferable between PC's. This agreement makes it possible to upgrade to the latest version of MS software without having to purchase a new license and/or computer, which provides the legal authority to transfer the license to a new PC, if replaced or upgraded. As a result, City staff does not track Microsoft EA licensing. The agreement allows PCs to upgrade to the most recent version, with fewer issues in migration and version conflicts. The City's network staff can call Microsoft for support on the servers without having to pay per incident, which saves time and money. The Employee Purchase Program provides added benefit to employees allowing them to purchase MS applications at a discount (example is Office 2013 for \$9.95), and greatly reduced software licensing costs for MS applications. For example, just the cost of upgrading to MS Office 2013 and Windows 8, in this upcoming year, for our 600 computers is approximately \$477 per computer for a total one-time cost of \$255,195.00. Additionally, without the agreement IT Staff will be spending a tremendous amount of time on Microsoft product license management and additional training dollars.

B. CONS: Expenditure of City funds.

OPTIONS (In Suggested Order of Staff Preference):

1. Approve the agreement as recommended
2. Do not approve the agreement

ATTACHMENTS: (all documents are attached as a single pdf)

1. Microsoft EA Year 1 Invoice2
2. Enterprise Enrollment Agreement
3. DIR Contract

FUNDING SOURCE: Budgeted Line Item for FY2013: General Fund (001-0631-410-3109) Computer Administration, Equipment Maintenance/Software License Agreements

APPROVALS: Hugh R. Walker, 05/17/2013

APPROVED FOR SUBMITTAL: Kean Register, 05-17-2013

APPROVED FOR SUBMITTAL: Janis K. Hampton, 05-20-2013