



## **MICROSOFT ENTERPRISE AGREEMENT WITH DELL MARKETING L.P.**

**Innovation and Technology Department**

Board of Public Utilities  
December 13, 2021

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### **BACKGROUND**

1. The City has utilized an Enterprise Agreement (EA) for Microsoft software products for 15 years.
2. An EA allows for volume pricing and simplifies mandatory licensing by only requiring a single transaction to acquire licenses across the City.
3. The agreement also includes access to software updates to ensure that the City has access to the most current updated versions of Microsoft products.



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## BACKGROUND

4. On January 28, 2019, the Board approved a three-year Microsoft EA with PCM-G, now Insight Technologies, in response to the County of Riverside's Request for Quote No. PUARC-1518 for Microsoft products.
5. This EA expires January 31, 2022.



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## DISCUSSION

1. On August 26, 2019, the County of Riverside issued Request for Quote #RIVCO-2020-RFQ-0000048 to seek authorized Licensed Solutions Partners (LSPs) to provide both existing and new Microsoft products and allow new enrollments to take place based on combined volume of government agencies.
2. The RFQ was viewed by 47 companies and the County received bids from ten 10 LSPs, which were all responsive.



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## DISCUSSION CONT.

3. The bid responses were based on a percentage mark-up or markdown from the Government Level pricing established by Microsoft and provided to LSPs.
4. The bid ranges were from -.56% markdown to a 3.5% mark-up.
5. Dell is one of the approved LSPs whose quote included the lowest approved pricing of the -.56% markdown, which is being utilized in Master Agreement Number PSA-0001524 and Amendment No. 1.



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## DISCUSSION CONT.

6. This EA provides the City of Riverside cost effectiveness through volume pricing, ease of license management, and access to the most current software versions.
7. Purchasing Resolution No. 23256, Section 602 (e) provides that competitive procurement shall not be required "when Cooperative Purchasing is available and undertaken or when goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements."



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## DISCUSSION CONT.

8. The Microsoft EA expense is determined by department full-time employee count.

Account	Amount
Fund 101, Account No. 2410000-424310	\$701,245
Fund 110, Account No. 8003301-462310	\$133,534.24
Fund 510, Account No. 6003000-424400	\$36,543
Fund 520, Account No. 6213000-424400	\$12,831
Fund 530, Account No. 2245000-425700	\$546
Fund 540, Account No. 4130000-425806	\$4,836
Fund 550, Account No. 4125000-425806	\$9,126
Fund 640, Account No. 2315200-424400	\$624
Fund 650, Account No. 2215100-425700	\$2,964
<b>Total</b>	<b>\$902,249.24</b>



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## DISCUSSION CONT.

9. The total fiscal impact of this Microsoft EA is \$902,249.24 annually, with a cumulative three-year total in the amount of \$2,706,747.72.
10. The total fiscal impact of this action to RPPU is \$49,374 per year for a total of \$148,122 over the three-year term.

Account	Amount
Fund 510, Account No. 6003000-424400	\$36,543
Fund 520, Account No. 6213000-424400	\$12,831
<b>Total</b>	<b>\$49,374</b>



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## STRATEGIC PLAN ALIGNMENT

This item contributes to Strategic Priority 5 High Performing Government:

- Goal No. 5.2 – Utilize technology, data, and process improvement strategies to increase efficiencies, guide decision making, and ensure services are accessible and distributed equitably throughout all geographic areas of the City
- Goal 5.4 – Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.



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## STRATEGIC PLAN ALIGNMENT

The item aligns with EACH of the five Cross-Cutting Threads in the following ways:

- a) Community Trust: The software collection provided by this agreement is responsible for processing the majority of City in-person and online computer transactions. The software is used directly by the majority of City staff and this software enables nearly all services the City provides. Furthermore, this agreement provides the City's email system and employee work file storage. These functions include advanced electronic discovery tools to allow the City to search and locate responsive records, making them available to all and promoting transparency and accountability between the City and the public resulting in greater public good by building public trust.
- b) Equity: Most the City's online websites and web applications are utilizing software from this agreement. Those services are accessible to all community members and benefits the City's diverse populations by providing public access to all. In addition, the Microsoft software platforms allow the City to create standard business processes which are consistent and repeatable, via transactional applications. These standard applications and processes provide equity to all customers served.
- c) Fiscal Responsibility: Utilizing the County of Riverside's Request for Quote ensures the City is receiving the most competitive rates available.
- d) Innovation: The City's Microsoft Enterprise Agreement gives the City access rights to continuous software updates including the most recent upgrade to Microsoft 365 (M365) which includes services like Exchange Online and Microsoft Teams.
- e) Sustainability & Resiliency: The Microsoft Enterprise Agreement allows for a true-up process where the City can adjust licenses as needed throughout each year of the agreement. It also provides the City with the necessary licenses, products, and services to ensure business continuity during an emergency.



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## RECOMMENDATION

That the Board of Public Utilities approve an expenditure of \$49,374 per year for three-years in the total amount of \$148,122, for Microsoft software licenses, products and services.

