



## Town Council Agenda Report

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Date: August 11, 2020 Item No. 8

To: Honorable Mayor and Town Council

Subject: PURCHASE OF MICROSOFT SOFTWARE AND LICENSING

From: Douglas Robertson, Town Manager

Submitted by: Brandon Cales, Innovation and Technology Officer  
Department of Innovation and Technology

Budgeted Item:  Yes  No  N/A

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### RECOMMENDED ACTION

Approve the purchase of Microsoft Enterprise Software Licensing in the amount of \$63,605.42 per year, for a term of three (3) years and authorize the Innovation and Technology Officer to execute appropriate agreements and documentation including the use of a Master Purchase Agreement.

### BACKGROUND

The Department of Innovation and Technology (IT) continues to improve the Town's technology infrastructure, computer hardware, and business applications (software), including ensuring valid licenses for all computer software utilized by Town Staff and Departments.

For more than twenty years the Town has used Microsoft as the platform throughout the organization, including Windows desktop and server operating systems, business applications such as Office 365 (Word, Excel, and PowerPoint), and Structured Query Language (SQL) Server which is used to store and manage data for critical Town applications. This purchase will rectify the number of valid licenses for Windows desktop, based on the Town's current staffing levels and computer systems in use. The addition of Microsoft Data Center Licensing will allow IT to upgrade and better maintain over 40 virtual servers with the latest operating system, updates and security patches, used to host all the Town's Enterprise Resource Planning (ERP) and Business Applications. This purchase will also allow the Town's servers to upgrade to the latest version as it becomes available and is supported by the hosted applications. The addition of SQL Server licensing will allow IT to properly segment database resources to adequately support the demand for the Town's ERP software (financials and human resources), cashiering, document imaging and public records, animal services and recreation systems, geographic information systems (GIS) and more. As some of these systems no longer

support older SQL Server databases, this will provide the ability to upgrade to the latest versions in order to properly support these systems and maintain necessary updates and security patches.

Under the Software Assurance, the Town will continually receive software patches, security updates and any upgrades to the latest versions of these applications during the term of the three-year agreement. The Enterprise Agreement (EA) provides the most efficient and cost-effective approach to maintaining these software licenses into a single annual payment. Each year, the Town will have the opportunity to 'true-up' on our license count in order to account for changes in licensing required for continued operation.

The Town used the County of Riverside's competitively bid Microsoft Enterprise Master Purchase Agreement which has been used by more than 900 public entities. This purchase follows the "piggyback" purchasing process, in accordance to the Town's Municipal Code section 3.12.270.

### **FISCAL IMPACT**

A three-year Enterprise Agreement cost of \$190,816.26. Year one cost is \$63,605.42 and will be funded by the Department of Innovation and Technology fiscal year 2020-21 budget as approved by the Town Council on June 23, 2020. The funding for the following two year's will be included in the Department of Innovation and Technology's operating budget.

### **ATTACHMENTS**

Quote from Dell, Inc.



Dell Customer Confidential

Katie Sicula

## Quotation

[Katie\\_Sicula@Dell.com](mailto:Katie_Sicula@Dell.com)

512-728-9295

**Customer: Town of Apple Valley**

**Customer Number: 10380708**

**Date of Issue:** 7/29/2020

**Quote Expires:** 7/29/2020

PLEASE SEE IMPORTANT TERMS AND CONDITIONS AT THE BOTTOM OF THIS QUOTATION

Description	Mfg#	Quantity	Unit Price	Ext. Price
M365 E3 Unified ShrdSvr ALNG SubsVL MVL PerUsr	AAD-33204	135	\$333.70	\$45,049.50
O365F3 ShrdSvr ALNG SubsVL MVL PerUsr	TPA-00001	95	\$32.38	\$3,076.10
SQLSvrStdCore ALNG LicSAPk MVL 2Lic CoreLic	7NQ-00302	6	\$1,345.19	\$8,071.14
ExchgOnlinePlan1 ShrdSvr ALNG SubsVL MVL PerUsr	TRA-00047	15	\$35.76	\$536.40
WinSvrDCCore ALNG LicSAPk MVL 16Lic CoreLic	9EA-00271	3	\$2,290.76	\$6,872.28
<b>Year 1 Total</b>				<b>\$63,605.42</b>
<i>(PO due for this amount when you return your EA paperwork)</i>				

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M365 E3 Unified ShrdSvr ALNG SubsVL MVL PerUsr	AAD-33204	135	\$333.70	\$45,049.50
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WinSvrDCCore ALNG LicSAPk MVL 16Lic CoreLic	9EA-00271	3	\$2,290.76	\$6,872.28
<b>Year 2 Total</b>				<b>\$63,605.42</b>

Internal Use - Confidential

Description	Mfg#	Quantity	Unit Price	Ext. Price
M365 E3 Unified ShrdSvr ALNG SubsVL MVL PerUsr	AAD-33204	135	\$333.70	\$45,049.50
O365F3 ShrdSvr ALNG SubsVL MVL PerUsr	TPA-00001	95	\$32.38	\$3,076.10
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WinSvrDCCore ALNG LicSAPk MVL 16Lic CoreLic	9EA-00271	3	\$2,290.76	\$6,872.28
<b>Year 3 Total</b>				<b>\$63,605.42</b>

**Total of 3 annual installments:**

**\$190,816.26**

Notes:

- 1) Customer's purchase is subject to the terms and conditions of the above referenced contract.
- 2) Sale/use tax is based on the "ship to" address on your invoice. Please indicate your taxability status on your purchase order. If exempt, Customer must have an Exemption Certificate on file, including non-federal government customers. If you have a questions re: your tax status, please contact your inside sales representative listed above.
- 3) Shipments to California: for certain products, a State Environmental Fee of up to \$10 per item may be applied to your invoice. Prices do not reflect this fee unless noted. For more information, refer to [www.dell.com/environmentalfee](http://www.dell.com/environmentalfee). This applies unless this provision is specifically excluded in the above referenced contract.
- 4) All product descriptions and prices are based on latest information available and are subject to change within the terms of the above referenced contract.
- 5) Unless specified otherwise in the above referenced contract, all prices are based on Net 30 terms. If not shown, shipping, handling, taxes and other fees will be added at the time of the order where applicable.
- 6) Customer understands and acknowledges that all warranties, representations and returns are subject to the manufacturer, publisher or distributor guidelines.

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