

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors
FROM: Brett Wood, Purchasing Manager *BW*
DATE: January 21, 2014
SUBJECT: Approve the Award of a Blanket Purchase Order to Dell, Inc. for a Three-Year Microsoft Enterprise Software Licensing Agreement in the Annual Amount of \$464,002.

ACTION REQUESTED

Approve the award of a blanket purchase order for a three-year Microsoft Enterprise Software Licensing Agreement with Dell Inc. of Round Rock, TX utilizing Riverside County's statewide competitively awarded Microsoft Enterprise Agreement, with a budgeted net county cost of \$464,002 annually, funded by the Administrative Services' budget, and authorize the Purchasing Manager to execute the related contractual documents in the annual amount of \$464,002.

BACKGROUND

On March 22, 2011 your Board approved a three-year renewal of an agreement for licensing and maintenance of the Microsoft products utilized by Placer County in the annual amount of \$397,702. That agreement will expire on January 31, 2014.

Placer County currently utilizes Microsoft software products on desktop computers and servers that reside on the County's Enterprise Data Network, as well as standalone computers. These products include Windows Operating Systems, Office Pro Plus Suite, and Core Client Access Licenses.

Maintaining an Enterprise Agreement will provide Placer County with the flexibility to continue to efficiently manage its computing environment. The Administrative Services Department (Department) evaluated several cost saving alternatives towards procuring the most cost effective Enterprise Agreement and determined that Riverside County's Master Enterprise Agreement with Microsoft remains about 12% less than what Placer County could secure under its own agreement.

The Riverside County agreement provides public agencies the option of purchasing Microsoft products and support from five authorized firms. The Department solicited competitive price quotes from all five authorized firms and received three quotes that met Placer County's requirements. These requirements included approximately 28 additional desktop licenses, 367 SharePoint Enterprise Client Access licenses, and 460 Remote Desktop Service Client Access licenses over the agreement awarded in 2011.

Staff evaluated all quotes received and determined Dell, Inc. submitted the lowest responsive quote and is being recommended as the selected vendor. The Riverside County Agreement is available for use by other California public agencies and Section 1.3(e)(3) of the Purchasing Policy Manual permits the use of other government agencies' agreements.

Therefore, your Board's approval is required to proceed with a new blanket purchase order (BPO) in the maximum annual amount of \$464,002 and to authorize the Purchasing Manager to sign the resulting BPO and execute the related contractual documents. The new Microsoft Enterprise Software Licensing Agreement effective period will be February 1, 2014 through January 31, 2017.

FISCAL IMPACT

The resulting blanket purchase order from this recommendation will not exceed \$464,002 annually and funding to support the three-year renewal of the Microsoft Enterprise Software Licensing Agreement is budgeted within the Administrative Services Department's Information Technology Division's FY2013/14 Budget Unit (11040) and will be included in future budget requests.

Cc: Jerry Gamez, Director of Administrative Services
Kathy Buchanan, Deputy Director of Information Technology
Melissa Nunnink, Administrative & Fiscal Operations Manager
James Importante, Management Analyst II