



**MEMORANDUM
INFORMATION TECHNOLOGY**
County of Placer

TO: Honorable Board of Supervisors **DATE:** June 21, 2022
FROM: Jarrett Thiessen, Chief Information Officer
SUBJECT: Increase Budget Amount Microsoft Enterprise Agreement – Dell Marketing LP

ACTION REQUESTED

1. Approve an increase of \$996,975 for the three-year Microsoft Enterprise Software Licensing Agreement with Dell Marketing L.P., for a new total contract amount not to exceed \$3,932,039.
2. Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

On January 28, 2020, your Board approved an agreement with Dell Marketing L.P. in the amount of \$2,935,064 for the period of February 1, 2020, through January 31, 2023. This agreement is for the licensing of Microsoft software products used on Placer County desktop computers and servers that reside on the County's computer network, standalone computers, as well as services hosted in the cloud. These products include Office365, the Windows Operating Systems, SQL databases, and other miscellaneous office productivity products.

The initial contact award was based on Placer County's Microsoft licensing requirements at the time of contract renewal. As with most software licensing agreements, this agreement requires payment of a base rate for a baseline number of licenses and services. The County is also required to pay "overage" costs for licenses or services actually used in excess of that base rate.

Due to the expansion of remote work caused by COVID-19 and to increased efforts to combat cybersecurity threats, the County utilized additional Microsoft licenses and software services above the base rate. The action requested seeks to increase the contract amount to fund overage costs incurred since February 1, 2020, and expected to be incurred through the term of the contract.

FISCAL IMPACT

Funding for the increase is budgeted within the Information Technology Department's FY 2021-22 Final Budget and is included in the Department's FY 2022-23 requested budget.

ATTACHMENTS

None

