

Committee of the Whole

Agenda Cover Memorandum

Meeting Date: January 23, 2012

Item Title: Approve the City entering into an agreement for software licensing

Action Requested:

- Approval
- For discussion
- Feedback requested
- For your information

Staff Contact: Diane Nelson

Phone Number: 847-318-5221

Email Address: dnelson@parkridge.us

Background:

The City of Park Ridge requests authorization to enter into an agreement with Microsoft for licensing of Microsoft software products. The City uses Microsoft Office Suite for all of the network PCs, Exchange (Email) software, MS Windows, Microsoft Server Operating System and SQL software. This agreement is purchased through CDW-G because they hold the State of Illinois contract with Microsoft. The State of Illinois contract provides us with a volume discount based on the participation of state municipalities. The State contract gives us the discount afforded to entities with over 15,000 users. (On some of our *larger* products we have a maximum of 200 users.)

A Software Assurance contract for software permits us to upgrade Microsoft Products for no additional cost any time during the term of the contract. Without a software contract, we would have to pay per license to upgrade any of the Microsoft products we have. The City desperately needs to upgrade all of our Microsoft products. Currently we are on Office 2000 and Outlook (email) 2003. Staff constantly has compatibility issues when exchanging documents with people outside of the City and is unable to take advantage of the advanced features of the Microsoft Office Suite. Additionally, our servers and databases are several versions behind the current release and we need to upgrade those to be able to move forward in the virtual environment. This agreement will address all of these issues in a much more cost effective manner than purchasing upgrades on an individual basis. The annual cost of the Software Assurance contract is much less than the cost to upgrade just the Microsoft Office Suite *one* time.

This is a three year agreement; however, we have the option to renew for three additional years at a very favorable rate.

The cost for the first three years will be \$62,176.85 per year. Additionally, we can renew for years three through six for \$28,154.88 per year.

Recommendation:

Recommended motion is:

Authorize payment of \$62,176 per year to CDW Government, Inc; 75 Remittance Drive, Suite 1515, Chicago, Illinois 60675 for three years, beginning February 2012.

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No

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If Yes, Total Cost: \$62, 176. (per year, for three years)

If Yes, is this a Budgeted Item: Yes No*

If Budgeted, Budget Code (Fund, Dept, Object)

- This has been funded for in the Technology Replacement Fund

Attachments:

- CDW Quote
- Microsoft Contract



Enterprise Pricing for Park Ridge

EA Years 1-3
Customer to make 3 annual payments to CDW*G

Microsoft Part Number	Description	Level	Quantity	Year 1		Year 2		Year 3	
				Price	Extended	Price	Extended	Price	Extended
269-12444	Office Pro Plus Lic/SA Platform	D	200	\$ 127.02	\$ 25,404.00	\$ 127.02	\$ 25,404.00	\$ 127.02	\$ 25,404.00
66J-00582	Win 7 w/MDOP Lic/SA Platform	D	200	\$ 43.96	\$ 8,792.00	\$ 43.96	\$ 8,792.00	\$ 43.96	\$ 8,792.00
W06-01071	Core CAL Lic/SA Platform	D	200	\$ 47.46	\$ 9,492.00	\$ 47.46	\$ 9,492.00	\$ 47.46	\$ 9,492.00
395-02412	Exchange Svr Ent Lic/SA	D	2	\$ 1,533.16	\$ 3,066.32	\$ 1,533.16	\$ 3,066.32	\$ 1,533.16	\$ 3,066.32
P71-01500	Windows Srv Datacenter Lic/SA	D	8	\$ 909.98	\$ 7,279.84	\$ 909.98	\$ 7,279.84	\$ 909.98	\$ 7,279.84
228-03159	SQL Server Std CPU Lic/SA	D	3	\$ 2,714.23	\$ 8,142.69	\$ 2,714.23	\$ 8,142.69	\$ 2,714.23	\$ 8,142.69
				Year 1 Payment	\$ 62,176.85	Year 2 Payment	\$ 62,176.85	Year 3 Payment	\$ 62,176.85
				Agreement Total	\$ 186,530.54				

EA Renewal Years 4-6
Customer to make 3 annual payments to CDW*G

Microsoft Part Number	Description	Level	Quantity	Year 4		Year 5		Year 6	
				Price	Extended	Price	Extended	Price	Extended
	Office Pro Plus SA Platform	D	200	\$ 74.15	\$ 14,830.00	\$ 74.15	\$ 14,830.00	\$ 74.15	\$ 14,830.00
	Win 7 Pro SA w/MDOP Platform	D	200	\$ 33.27	\$ 6,654.00	\$ 33.27	\$ 6,654.00	\$ 33.27	\$ 6,654.00
	Core CAL SA Platform	D	200	\$ 25.87	\$ 5,174.00	\$ 25.87	\$ 5,174.00	\$ 25.87	\$ 5,174.00
	Exchange Svr Ent SA	D	2	\$ 518.72	\$ 1,037.44	\$ 518.72	\$ 1,037.44	\$ 518.72	\$ 1,037.44
	Win Srv Datacenter CPU SA	D	8	\$ 390.11	\$ 3,120.88	\$ 390.11	\$ 3,120.88	\$ 390.11	\$ 3,120.88
	SQL Server Std CPU SA	D	3	\$ 1,163.72	\$ 3,491.16	\$ 1,163.72	\$ 3,491.16	\$ 1,163.72	\$ 3,491.16
				Year 4 Payment	\$34,307.48	Year 5 Payment	\$ 34,307.48	Year 6 Payment	\$ 34,307.48

Select Agreement

	Quantity	Price	Extended	
Office Pro Lic	0	\$ 315.00	\$ -	-
Vista Business	0	\$ 119.80	\$ -	-
Windows Server Cal	0	\$ 18.24	\$ -	-
Exchange Server Cal	0	\$ 42.03	\$ -	-
Sharepoint Server Cal	0	\$ 57.89	\$ -	-
System Center Config Manager Cal	0	\$ 102.50	\$ -	-
Exchange Ent Server Cal	0	\$ 21.41	\$ -	-
Sharepoint Ent Server Cal	0	\$ 46.97	\$ -	-
Office Communications Server Cal	0	\$ 19.83	\$ -	-
Office Communications Ent Server Cal	0	\$ 87.23	\$ -	-
Systems Center Operations Manager Cal	0	\$ 19.83	\$ -	-
Windows Rights Management Services	0	\$ 23.00	\$ -	-
Forefront Security Suite	0	\$ 21.89	\$ -	-
Select		\$	-	

Enterprise Enrollment

State and Local

Enterprise Enrollment number <i>(Microsoft to complete)</i>		Proposal ID	
Previous Enrollment number <i>(Reseller to complete)</i>		Earliest expiring previous Enrollment end date	

¹ If consolidating from multiple previous Enrollments with Software Assurance, complete the multiple previous Enrollment form and attach it to this Enrollment. Enterprise Products can only be renewed from a Qualifying Enrollment. Additional Products can be renewed from any previous Enrollment with Software Assurance.

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as of the effective date identified in the signature form. Customer represents and warrants that it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified above.

This Enrollment consists of (1) this document, (2) the terms of the Enterprise Agreement identified on the signature form, and (3) any supplemental contact information form or multiple previous enrollment form that may be required. If Customer's Enterprise Agreement is a version 6.4 or earlier, the Desktop Terms and Conditions are incorporated by reference.

All terms used but not defined are located at <http://microsoft.com/licensing/contracts>. In the event of any conflict the terms of this agreement control.

Effective date. If Customer is renewing Software Assurance from one or more previous Qualifying Enrollments, then the effective date will be the day after the first Enrollment expires. Otherwise the effective date will be the date this Enrollment is accepted by Microsoft.

If renewing Software Assurance, the Reseller will need to insert the previous Enrollment number and end date in the respective boxes above.

Term. This Enrollment will expire 36 full calendar months from the effective date. It could be terminated earlier or renewed as provided in the Microsoft Enterprise Agreement. Microsoft will advise Customer of the renewal options before it expires.

Product order. The Reseller will provide Customer with Customer's Product pricing and order. Prices and billing terms for all Products ordered will be determined by agreement between Customer and the Reseller. The Reseller will provide Microsoft with the order separately from this Enrollment.

Qualifying systems Licenses. All desktop operating system Licenses provided under this program are upgrade Licenses. *No full operating system Licenses are available under this program.* If Customer selects the Desktop Platform or the Windows Desktop Operating System Upgrade & Software Assurance, all Qualified Desktops on which the Windows Desktop Operating System Upgrade must be licensed to run one of the qualifying operating systems identified in the Product List at <http://microsoft.com/licensing/contracts>. Note that the list of operating systems that qualify for the Windows Desktop Operating System Upgrade varies with the circumstances of the order. That list is more extensive at the time of the initial order than it is for some subsequent true-ups and system refreshes during the term of this Enrollment.

For example, Windows XP Home Edition or successor Products are not qualifying operating systems.

1. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Customer consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at <http://licensing.microsoft.com>.

- a. **Primary contact information:** The Customer of this Enrollment must identify an individual from inside its organization to serve as the primary contact. This contact is the default administrator for this Enrollment and receives all notices unless Microsoft is provided written notice of a change. The administrator may appoint other administrators and grant others access to online information.

Name of entity (must be legal entity name)* City of Park Ridge
Contact name* First Last
Contact email address*
Street address*
City* State * Postal code*
Country*
Phone* Fax
Tax ID (if applicable)

- b. **Notices and online administrator:** This individual receives online administrator permissions and thus may grant online access to others. This contact also receives all notices.

Same as primary contact

Name of entity (must be legal entity name)*
Contact name* First Last
Contact email address*
Street address*
City* State * Postal code*
Country*
Phone* Fax

This contact is a third party (not the Customer). Warning: This contact receives personally identifiable information of the Customer.

- c. **Language preference:** Select the language for notices. English
- d. **Microsoft account manager:** Provide the Microsoft account manager contact for this Customer.

Microsoft account manager name:
Microsoft account manager email address:

- e. If Customer requires a separate contact for any of the following, attach the Supplemental Contact Information form. Otherwise, the notices contact remains the default.

- Additional notices contact
- Software Assurance manager
- Subscription manager
- Online Services manager
- Customer Support Manager (CSM) contact

- f. Is a purchase under this Enrollment being financed through MS Financing? Yes, No.

g. Reseller information

Reseller company name* CDW-G

Street address (PO boxes will not be accepted)* 200 N. Milwaukee Ave

City* Vernon Hills State * IL Postal code* 60061

Country* USA

Contact name * Gabe Arias

Phone* 312+-447-1988

Fax

Contact email address* gabe.arias@ms.cdw.com

The undersigned confirms that the information is correct.

Name of Reseller*

Signature* _____

Printed name*

Printed title*

Date*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with one another, Customer must choose a replacement. If Customer intends to change the Reseller, it must notify Microsoft and the former Reseller, in writing on a form provided at least 90 days prior to the date on which the change is to take effect. The change will take effect 90 days from the date of Customer's signature.

2. Defining your Enterprise.

Use this section to identify which Affiliates are included in the Enterprise. Customer's Enterprise must consist of entire government agencies, departments or legal jurisdictions, not partial government agencies, departments, or legal jurisdictions. (Check only one box in this section.)

Only you (and no other affiliates) will be participating

Customer and all Affiliates are included (*excluding* new Affiliates with which you consolidate in the future)

The following Affiliates are excluded

3. Establishing Customer price level.

The price level indicated in this section will be the price level for the initial Enrollment term for all Enterprise Products ordered and for any Additional Products in the same pool(s). The price level for any other Additional Products will be level "D".

Qualified Desktops: Customer represents that the total number of Qualified Desktops in its Enterprise is, or will be increased to, this number during the initial term of this Enrollment (This number must be equal to at least 250 desktops).

200

Qualified Users: Customer represents that the total number of Qualified Users in its Enterprise is, or will be increased to, this number during the initial term of this Enrollment (This number must be equal to at least 250 users).	200
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Number of desktops/ users	Price level
250 to 2,399	A
2,400 to 5,999	B
6,000 to 14,999	C
15,000 and above	D

Price level (for pools in which Customer orders an Enterprise Product):	Qualified Desktop	Qualified User
	D	D

Price level (for pools in which Customer does not order an Enterprise Product):	Price level "D"
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4. Enterprise Product orders.

Customer must select a desktop platform or any individual Enterprise Product before it can order Additional Products. The CAL selection must be the same across the Enterprise. The components of the current versions of any Enterprise Product are identified in the Product List.

Enterprise Product Selection

Please choose the Enrolled Affiliate's desktop option (Select 1):

Enterprise Desktop with MDOP Enterprise Desktop
 Professional Desktop with MDOP Professional Desktop
 Custom Desktop or Individual Enterprise Product Component(s):

Select at least 1 component. (For full platform, Windows Desktop, Office, and Client Access License components must all be selected.)

Windows Desktop (Includes Windows Desktop Operating System Upgrade and Windows VDA): <Select One>
 Office: Office Professional Plus
 Client Access License: <Select One>

For any Client Access Licenses, please indicate whether licensing by Desktop or User: User

Unless stated/indicated otherwise, Microsoft will invoice Customer's Reseller in 3 equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and thereafter on the anniversary of the Enrollment. All subsequent new Additional Products and true-ups are billed in full.