



Folsom City Council Staff Report

MEETING DATE:	9/24/2024
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 11261 — A Resolution Authorizing the City Manager to Execute a Contract Renewal/Extension with Dell for the Microsoft Enterprise Agreement
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

The Office of Management and Budget respectfully requests the City Council approve Resolution No. 11261 – A Resolution Authorizing the City Manager to Execute a Contract Renewal/Extension with Dell for the Microsoft Enterprise Agreement

BACKGROUND / ISSUE

The City has contracted with Dell through the Microsoft Enterprise Agreement for office365 software and services for the past 13 years. The current contract with Dell was awarded for 3 years, starting in September 2021 based on price, service, and technology needs. We are constantly striving to find better, more effective ways to increase employee efficiencies while providing stable, consistent, industry leading software. Microsoft Enterprise Agreement has been instrumental in assisting City Information Technology staff with that task. Staff would like to extend our current software contract for 36 months to continue to take advantage of Microsoft's software and services.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, supplies, equipment, services, and construction with a value of \$73,209 or greater shall be awarded by City Council.

ANALYSIS

Renewing the Microsoft Enterprise Agreement allows us a wide range of benefits that enhance productivity, collaboration, and security, along with key advantages: access to Premium apps, cloud storage, collaboration tools, security, flexibility to use multiple devices, business continuity with cloud services, cost optimization, remote working for field crews, all on a common IT platform across the city organization. This allows staff to consistently, and dynamically manage our software licensing program. Microsoft's stable, consistent, industry leading software has worked well for the City for the past 13 years and IT staff recommends that we continue with this service. A three-year agreement helps us to lock in the pricing. The cost for the Agreement is \$376,940.67 annually for the three-year period.

FINANCIAL IMPACT

Sufficient funds for Year 1 of this contract are budgeted and available in the FY 2024-25 Budget in the Information Technology Department of the General Fund (Fund 010). Funds for Year 2 and Year 3 will be included in subsequent budgets. There is an increase in pricing over the current contract related to an industry standard software price increase, expanded security services, expanded discovery services for public request, as well an enhanced support contract. The yearly cost for the Microsoft contract is \$376,940.67 for the next three years, for a total contract amount of \$1,130,822.01.

ATTACHMENTS

1. Resolution No. 11261 – A Resolution Authorizing the City Manager to Execute a Contract Renewal/Extension with Dell for the Microsoft Enterprise Agreement.
2. Dell Quote Microsoft Enterprise Agreement for 3 Years of Service.

Submitted,

Stacey Tamagni
Chief Financial Officer

Attachment 1

RESOLUTION NO. 11261

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT RENEWAL/EXTENSION WITH DELL FOR THE MICROSOFT ENTERPRISE AGREEMENT

WHEREAS, the City’s contract with Dell for the Microsoft Enterprise Agreement is up for renewal; and

WHEREAS, a renewal of the Microsoft Enterprise Agreement will allow the City to maintain software standards while improving compatibility, future upgrades, and providing more robust anti-virus/intrusion detection, E-Discovery, product support; and

WHEREAS, the cost to implement the contract is \$376,940.67 per year for a 3-year period, for a total contract amount of \$1,130,822.01 and

WHEREAS, sufficient funds for Year 1 of this contract are budgeted and available in the FY 2024-25 Budget in the Information Technology Department of the General Fund (Fund 010), and funds for Year 2 and Year 3 will be included in subsequent budgets; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a contract renewal/extension with Dell for the Microsoft Enterprise Agreement in the amount of \$1,130,822.01.

PASSED AND ADOPTED this 24 day of September 2024, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2



Dell Customer Confidential

Quotation

Sam Andrews
sam.andrews@dell.com
 512.720.4469

Microsoft Enterprise Agreement (EA) #: (8976944, estimate of renewal term effective 10/1/2024)
 Customer: City of Folsom

Date of Issue: 9/13/2024
 Quote Expires: 10/10/2024

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

Product Description	Mfg#	Quantity	Months	Unit Price	Ext. Price
Enterprise Products / Online Services					
M365 G3 Unified FUSL GCC Sub Per User	AAD-34704	638	12	\$31.50	\$241,164.00
M365 F3 Unified GCC Sub Per User	AAD-63092	20	12	\$6.80	\$1,632.00
Exchange Online P1 GCC SU Exchange Online Kiosk Per User <i>(this upgrades the 2gb limit of the F3 plan to 50gb)</i>	3MS-00002	20	12	\$1.22	\$292.80
Additional Products					
SQL Server Standard Core ALng SA 2L	7NQ-00292	6		\$634.22	\$3,805.32
Win Remote Desktop Services CAL ALng SA UCAL	6VC-01254	7		\$23.30	\$163.10
Win Server DC Core ALng SA 16L <i>(quantity 8 of this 16-core SKU gives you 128 cores)</i>	9EA-00273	8		\$989.92	\$7,919.36
Win Server Standard Core ALng SA 16L <i>(quantity 29 of this 16-core SKU gives you 464 cores)</i>	9EM-00267	29		\$150.55	\$4,365.95
Exchange Server Standard ALng SA	312-02257	1		\$125.22	\$125.22
Additional Online Services					
M365 G5 Security GCC Sub Per User	8ZZ-00001	638	12	\$10.51	\$80,464.56
M365 G5 eDiscovery & Audit GCC Sub Add-on	8RI-00005	638	12	\$4.47	\$34,222.32
M365 F5 Security + Compliance GCC Sub Add-on <i>(covers both F5 security + Adv eDiscovery & more for the 20 F3 users)</i>	91C-00004	20	12	\$11.05	\$2,652.00
Visio P2 GCC Sub Per User	P3U-00001	1	12	\$11.17	\$134.04
Teams AC with Dial-Out US/CA GCC Sub Per User (\$0.00 add-on)	NYH-00001	658	12	\$0.00	\$0.00
Win OLS Activation User GCC Sub Per User	VRM-00001	658	12	\$0.00	\$0.00
Notes:					Total Annual Payment Yr 1 <u>\$376,940.67</u> Total Annual Payment Yr 2 <u>\$376,940.67</u> Total Annual Payment Yr 3 <u>\$376,940.67</u> Grand Total <u>\$1,130,822.01</u>

Notes:	
1) Customer's purchase is subject to Dell's Terms and Conditions of Sale found at www.dell.com , unless Customer has a separate purchase agreement with Dell.	4) All product descriptions and prices are based on latest information available and are subject to change without notice or obligation.
2) Sales/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.	5) All prices are based on Net 30 Terms. If not shown, shipping, handling, taxes, and other fees will be added at the time of order, where applicable.
3) If you have a question re: your tax status, please contact your Dell ASAP Software Inside sales representative listed above. 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/environmentalfees .	6) Customer understands and acknowledges that all warranties, representations and returns are subject to the manufacturer, publisher or distributor guidelines.