

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 5b

Title:

Recommendation to approve a Microsoft Enterprise Agreement subscription from Dell Marketing LP in the amount of \$236,478.

Presenters:

Larry Gunderson, Director of Information Systems

Meeting: Government Operations Committee

Date: January 17, 2023

Proposed Cost: \$236,478

Budgeted Amount: \$236,748

Not Budgeted: **Executive Summary** *(if not budgeted please explain):*

The City's on-premise email solution, Microsoft Exchange, is coming up to its end of support date, requiring a large monetary commitment of hardware and software upgrades to remain current. This provides the perfect opportunity to move our email and productivity software to the cloud, utilizing Microsoft Office 365.

The Office 365 subscription will include online email for all employees and provide for the latest version of Microsoft's productivity suite of Word, Excel, PowerPoint and Access. It will also include SharePoint, the platform that will be used as the replacement for iNet, the City's intranet software application.

There are many user, business and security benefits of moving to Office 365. From a user's perspective, data and services become more readily available and real-time collaboration is possible through SharePoint, OneDrive and Microsoft Teams. The subscription will also allow the City to scale up or down instantly, by removing or adding licensing as business needs dictate. And finally, from a security perspective, the City will be using Microsoft 365 Government, which meets the advanced security standards required of public sector agencies.

The Microsoft Enterprise Agreement subscription will be a three-year commitment, payable annually in the amount of \$78,826 for a three-year total of \$236,478. At the conclusion of the three years, the City will have the option to opt out of the agreement or re-sign for another three years. The purchase is funded through the City's Equipment Replacement fund, which provides annual funding for the replacement of the City's core end user technology.

The subscription cost is from the State of Illinois master contract #CMT1176800, which was awarded to Dell Marketing LP. Through the master contract with Dell, Microsoft provides discounted volume pricing on all Microsoft products to any Illinois state agency or local government.

Attachments *(please list):*

Bid Waiver Form, Resolution

Recommendation/Suggested Action *(briefly explain):*

Recommendation to approve a Microsoft Enterprise Agreement subscription from Dell Marketing LP in the amount of \$236,478.



BID WAIVER One Time Today through

Description: Microsoft Enterprise Agreement for Office 365

Requested Vendor: Dell Marketing LP

Requested by: Steve Weishaar

Date: 1/10/23

Approval: Larry Gunderson
Department Head

Lawrence E.
Gunderson

Digitally signed by Lawrence E.
Gunderson
Date: 2023.01.10 17:38:53 -06'00'

Bid Waivers are required when there are unique circumstances related to a proposed procurement that has not been competitively solicited.

1. This procurement is valued at \$ 236,478 for this one time order, and/or
\$ 78,826 for a 12 month period.

2. This good/service has been competitively solicited within the past 24 months. Yes No
If yes: Was the solicitation published on the city website? Yes No

3. Justification for Bid Waiver

- Emergency** i.e. declared by the Mayor and applicable to EOC/FEMA procedures.
- Urgent** i.e. required to resolve an unanticipated problem that, if not resolved within 48 hours, may cause undue risk to individuals and/or extensive damage to property.
- Need for these goods/services were **not anticipated and procurement through normal channels would take too long.**
- A responsible **contractor was on site** performing a related repair, and, based on professional judgement; it was prudent to request this service/repair from said contractor.
- These goods are replacement parts for a **warranted item, and the warranty is still in place**, and purchase of a non-brand item will jeopardize warranty.
- These goods/services are **inherently related to, and an ongoing part of**, other goods/services previously provided by the Provider.
- These goods utilize a **proprietary, patent, trademark, or customized programing** resulting in lack of competition.
- These goods are **standardized** for operational safety and efficiency.
- These goods are only available through the provider's **local distribution** channels.
- Other: Contract pricing from State of Illinois master contract #CMT1176800

**City of St. Charles, Illinois
Resolution No.**

**A Resolution Authorizing the Purchase of a Microsoft Office 365
Subscription for a Three-Year Term from Dell Marketing LP in the
submitted amount**

**Presented & Passed by the
City Council on**

WHEREAS, pursuant to the Illinois Governmental Joint Purchasing Act (30 ILCS 525/1, et seq.) the City may purchase personal property, supplies and services joining with other governmental units; and Illinois State Statutes authorize municipal governments to jointly purchase supplies; and

WHEREAS, the State of Illinois has publicly and competitively bid for a Joint Purchase Master Contract for a Microsoft Licensing Solutions Provider; and

WHEREAS, the State of Illinois awarded master contract #CMT1176800 to Dell Marketing LP of Round Rock, TX, the lowest priced responsive and responsible bidder, for the provision of Microsoft products, support and services and has made the contract available to other public entities; and

WHEREAS, the City solicited a quote for a Microsoft Enterprise Agreement, a three-year subscription for cloud-based Microsoft Office 365 email and productivity software, from Dell Marketing LP; and

WHEREAS, Dell Marketing LP submitted contract pricing though State of Illinois master contract #CMT1176800;

THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, an Agreement be approved with Dell Marketing LP in the submitted amount.

PRESENTED to the City Council of the City of St. Charles, Illinois, this 6th day of February, 2023

PASSED by the City Council of the City of St. Charles, Illinois, this 6th day of February, 2023

APPROVED by the Mayor of the City of St. Charles, Illinois, this ____ day of _____, 2023

Lora Vitek, Mayor

Resolution No. _____

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ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain: