



Legislation Details (With Text)

File #: 2921-2016 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 11/7/2016 **In control:** Technology Committee

On agenda: 12/5/2016 **Final action:** 12/7/2016

Title: To appropriate \$1,334,838.84 within the Special Income Tax Fund; to authorize the Director of Finance and Management, on behalf of the Department of Technology, to establish a contract/purchase order for the third and final year of a three year term agreement for Microsoft enterprise software licensing from Dell Marketing L.P., from a State Term Schedule; to authorize a modification to the agreement for the second year true-up; to authorize the expenditure of \$1,334,838.84 or so much thereof as may be necessary from the Special Income Tax Fund for the Department of Technology; and to declare an emergency. (\$1,334,838.84)

Sponsors:

Indexes:

Code sections:

Attachments: 1. City of Columbus - Quote EA 6486126.pdf, 2. City of Columbus - Quote EA True Up Year 2.pdf, 3. 2921-2016 EXP.pdf, 4. City of Columbus - Quote O365G3 Columbus R2.pdf

Date	Ver.	Action By	Action	Result
12/7/2016	1	CITY CLERK	Attest	
12/7/2016	1	MAYOR	Signed	
12/5/2016	1	COUNCIL PRESIDENT	Signed	
12/5/2016	1	Columbus City Council	Approved	Pass

BACKGROUND:

This ordinance authorizes the Director of Finance and Management, for the Department of Technology, to establish a purchase order with Dell Marketing L.P., utilizing the State of Ohio Multiple Award Contract (MAC) 0A1108-17AGG with an expiration date of 6/30/2017, authorized for the city's use by Ordinance No. 582-87, for Microsoft enterprise software licensing. Microsoft Office is the city's technology standard for desktop computing software, currently utilized by 6,000 city employees to conduct their daily business. The city also utilizes Microsoft software to support a number of enterprise applications, including city intranet sites utilizing SharePoint. This ordinance will enable the city to cost-effectively obtain the latest versions of Microsoft software utilizing a single agreement for the entire city. The original agreement (FL006092) was authorized by ordinance 2731-2014, passed December 8, 2014. The second year of the contract was most recently authorized by ordinance 2784-2015, passed November 23, 2015.

The term of the agreement is for three years: January 1, 2015 to December 31, 2017. This ordinance will authorize funds to pay for the third and final year, at a cost of \$1,126,917.72.

This ordinance also authorizes the appropriation of \$207,921.12 within the Special Income Tax Fund and authorizes the Director of the Department of Technology to modify the agreement with Dell Marketing L.P., utilizing the State of Ohio Multiple Award Contract (MAC) 0A1108-17AGG, for acquiring Microsoft enterprise software licensing. This ordinance will authorize funding for the second year "true-up" of the enterprise agreement with Dell Marketing L.P. in the amount of \$207,921.12.

1. Amount of additional funds to be expended: \$207,921.12

Original contract - 1st year amount:	\$1,126,917.72
Modification #1: (1st year -true-up):	\$155,706.78
Original contract - 2nd year amount:	\$1,126,917.72
Modification #2: (2nd year -true-up):	\$207,921.12
Original contract - 3rd year amount:	\$1,126,917.72

Total: (years 1, 2 & 3 contract and modifications 1& 2): \$3,744,381.06

2. Reason additional goods/services could not be foreseen:

This modification is needed to incorporate additional Microsoft licenses needed to support other City departments. The need to add additional licensing was not anticipated at the time of the original agreement.

3. Reason other procurement processes are not used:

To take advantage of the most favorable pricing available for Microsoft software, it is in the City's best interests to utilize the existing agreement with Dell Marketing L.P., instead of utilizing alternative procurement methods.

4. How cost of modification was determined:

The price of the additional software reflects the pricing available to all public sector organizations in Ohio through the State of Ohio MAC.

EMERGENCY DESIGNATION:

Emergency action is requested to expedite authorization of this contract and establish a purchase order by or before December 20, 2016 to initiate services on 01/01/2017 from the supplier at the price offered.

FISCAL IMPACT:

In 2014 (\$1,126,917.72) and 2015 (\$1,282,624.50), was legislated by the Department of Technology with Dell Marketing L.P. for the first and second year (January 1, 2015 to December 31, 2016) of a three year Microsoft enterprise software licensing. The cost associated with this legislation is \$1,126,917.72 for the third and final year (January 1, 2017 to December 31, 2017) for a three year Microsoft enterprise software licensing. This legislation also includes \$207,921.12 for the second "true-up" of the enterprise agreement with Dell Marketing L.P., making the aggregate total including this purchase \$3,744,381.06. Funds to cover the third term cost and "true-up" on second year have been identified and will come from the Special Income Tax Fund.

CONTRACT COMPLIANCE:

Vendor Name: Dell Marketing L.P. DAX Vendor Acct.#: 010030 CC #: 74-2616805 Expiration Date: 11/16/2018

To appropriate \$1,334,838.84 within the Special Income Tax Fund; to authorize the Director of Finance and Management, on behalf of the Department of Technology, to establish a contract/purchase order for the third and final year of a three year term agreement for Microsoft enterprise software licensing from Dell Marketing L.P., from a State Term Schedule; to authorize a modification to the agreement for the second year true-up; to authorize the expenditure of \$1,334,838.84 or so much thereof as may be necessary from the Special Income Tax Fund for the Department of Technology; and to declare an emergency. (\$1,334,838.84)

WHEREAS, funds totaling \$1,334,838.84 must be appropriated within the Special Income Tax Fund; and

WHEREAS, this legislation authorizes the Director of Finance and Management, on behalf of the Department of

Technology, to establish a contract/purchase order for year three of a three year term to acquire Microsoft enterprise software licensing from Dell Marketing L.P., utilizing the State of Ohio Multiple Award Contract (MAC) 0A1108-17AGG, with an expiration date of 6/30/2017; and

WHEREAS, the use of the Ohio Department of Administrative Services Cooperative Contract is authorized for the city's use by Ordinance Number 582-87; and

WHEREAS, the term of the agreement is for three years: January 1, 2015 to December 31, 2017, with the third and final year (January 1, 2017 to December 31, 2017) at a cost of \$1,126,917.72; and

WHEREAS, this legislation also authorizes the Director of Finance and Management, on behalf of the Department of Technology, to modify the agreement for the second year "true-up" of the enterprise agreement with Dell Marketing L.P. from January 1, 2016 to December 31, 2016, at a cost of \$207,921.12; and

WHEREAS, the proposed agreement enables the city to cancel the agreement, without penalty, in the event that funds are not appropriated to pay for future annual terms; and

WHEREAS, an emergency exists in the usual and daily operation of the Department of Technology in that it is immediately necessary to authorize the Director of Finance and Management to establish a contract/ purchase order with Dell Marketing L.P. to acquire Microsoft enterprise software licensing from a State Term Schedule for the third year of a three year term agreement and to modify the agreement for the second year "true up" of the enterprise agreement, for the preservation of the public health, peace, property, safety and welfare; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the sum of \$1,334,838.84 be and hereby is appropriated from the unappropriated balance of Fund 4430, the Special Income Tax Fund, and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ending December 31, 2016, to Department 47 Division 4701, Department of Technology, Object Class: 03, Main Account: 63945, Fund 4430, Subfund 443001, and Program Code CW001.

SECTION 2. That the monies appropriated in Section 1 shall be paid upon order of the Technology Director and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

SECTION 3. That the Director of Finance and Management, on behalf of the Department of Technology, is authorized to establish a contract/purchase order for the third and final year of a three year term agreement to acquire Microsoft enterprise software licensing for the term period (January 1, 2017 to December 31, 2017), at \$1,126,917.72 and to modify the agreement for the second year "true-up" of the enterprise agreement at a cost of \$207,921.12 from Dell Marketing L.P., utilizing the State of Ohio Multiple Award Contract (MAC) 0A1108-17AGG, with an expiration date of 6/30/2017, for a combined total of \$1,334,838.84.

SECTION 4. That the expenditure of \$1,334,838.84 or so much thereof as may be necessary is hereby authorized to be expended from Fund 4430, the Special Income Tax Fund, Department 47 Division 4701, Department of Technology, Object Class 03, Main Account 63945 and Program CW001. **See Attached File: (Ord 2921-2016 EXP)**

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 7. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

SECTION 8. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.