



Legislation Text

File #: 2812-2019, Version: 1

This ordinance authorizes the Director of Finance and Management to establish a contract/purchase order with Dell Marketing L.P on behalf of the Department of Technology for Microsoft enterprise software licensing. This is being done through the State of Ohio Multiple Award Contract (MAC) 0A1252, which has an expiration date of 6/30/2025 and is 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 used by approximately 7,500 city employees in their daily business. The city also utilizes Microsoft software to support a number of enterprise applications. This ordinance will enable the city to obtain the latest versions of Microsoft software utilizing a single agreement for the entire city.

The term of the above-noted three-year agreement commenced on January 1, 2018 and ends on December 31, 2020, authorized by ordinance 3310-2017 passed December 11, 2017. This ordinance authorizes entering into an agreement for the third year term, to begin on January 1, 2020 and end on December 31, 2020 at a cost of \$1,417,753.19. The proposed enterprise agreement enables the City to cancel the agreement, without penalty, in the event that funds are not appropriated to pay for future annual terms. Of this total, \$173,591.60 is intended for licenses in the Public Safety Department and will be funded via their General Fund budget. The Special Income Tax fund will cover \$1,694,641.00. The balance of 28,974.61 will come from the Information Services Operating fund

This ordinance also authorizes the true-up for the year 2019 of the current agreement (2018-2020). The current year true-up costs are \$479,454.02, for a total authorized expenditure of \$1,897,207.21.

1. Amount of additional funds to be expended

| | |
|-------------------------------------|-----------------------|
| Original Contract #1 (2018): | \$1,419,640.64 |
| Modification #1 (2018 "true-up"): | \$ 189,917.09 |
| Original Contract #2 (2019): | \$1,402,360.64 |
| Modification # 2 (2019 "true-up"): | \$ 479,454.02 |
| Original Contract #3 (2020): | <u>\$1,417,753.19</u> |
| Total 3 years (including true-ups): | \$4,909,125.58 |

2. Reason additional goods/services could not be foreseen

This is the third year of a 3-year agreement. Additionally, the modification (2019 true-up) is needed to incorporate additional Microsoft licenses needed to support city departments' applications.

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 interest to utilize the existing agreement with Dell Marketing L.P. instead of using other procurement methods.

4. How cost of modification was determined

The cost of the true-up for the additional software was negotiated.

This ordinance also authorizes the appropriation of \$1,694,641.00 within the Special Income Tax (SIT) Fund to provide funds for a portion of the 2020 contract and 2019 true-up. The balance of \$202,566.21 will come from the operating budgets of Information Services (\$28,974.61) and Public Safety (\$173,591.60).

FISCAL IMPACT

Funds have been identified and are available in all noted funds to accommodate this request.

EMERGENCY DESIGNATION

Emergency action is requested to initiate service from the contractor to avoid delay in services provided.

CONTRACT COMPLIANCE

| | |
|------------------------|----------------------|
| Vendor name: | Dell Marketing, L.P. |
| DAX vendor Account #: | 010030 |
| Contract Compliance #: | 74-2616805 |
| Expiration: | 6-10-21 |

To appropriate \$1,694,641.00 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 with Dell Marketing L.P., utilizing a State Term Schedule for Microsoft enterprise software licensing and for a “true up” cost associated with 2019 agreement; to authorize the expenditure of \$1,897,207.21 or so much thereof as may be necessary from the Special Income Tax Fund, General Fund and Information Services Operating Fund for this purpose and to declare an emergency. (\$1,897,207.21)

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 Director of Finance and Management is authorized to establish a contract/purchase order with Dell Marketing L.P on behalf of the Department of Technology for Microsoft enterprise software licensing for the third year of a three year agreement.

WHEREAS, the term of the 2020 agreement begins on January 1, 2020 through December 31, 2021; and

WHEREAS, the cost of the 2020 agreement is \$1,417,753.19 and the cost of the 2019 true-up is \$479,454.02 , for a total cost of \$1,897,207.21; and

WHEREAS, the above noted total is being funded by moneys available for this purpose in the Special Income Tax Fund, the General Fund and the Information Services Operating Fund; and

WHEREAS, an appropriation within the Special Income Tax fund is needed to accommodate a portion of these costs; and

WHEREAS, the current 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 daily operation of the Department of Technology in that it is immediately necessary to appropriate funds to the Special Income Tax Fund and authorize the Director of the Finance and

Management Department, on behalf of the Department of Technology, to establish a contract/purchase order with Dell Marketing L.P., for Microsoft enterprise software licensing from a State Term Schedule for the last year of a three year term agreement and to modify the current contract agreement for true-up on the second year of the of the current 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 \$1,694,641.00 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, 2019 to Department 47, Division 4702, Department of Technology, Object Class: 03, Main Account: 63945, Fund 4430, Subfund 443001, and Program 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 with Dell Marketing L.P., for the last of a three year term agreement for Microsoft enterprise software licensing agreement in the amount of \$1,417,753.19 and \$479,454.02 for a “true up” modification on the second year (2019) of the three year agreement for a total of \$1,897,207.21, the term of which begins on January 1, 2020 and ends on December 31, 2020.

SECTION 4. That the expenditure of \$1,897,207.21 or so much thereof as may be necessary is hereby authorized to be expended as follows (see attached file 2812-2019EXP):

Div.: 47-02 | **Fund:** 4430 | **SubFund:** na | **Obj. Class.:** 03 | **Main Acct.:** 63945 | **Program:** CW001 | **Section 3:** n/a | **Section 4:** n/a | **Section 5:** n/a | **Amount:** \$1,694,641.00. |

Div.: 47-02 | **Fund:** 5100 | **SubFund:** 510001 | **Obj. Class.:** 03 | **Main Acct.:** 63945 | **Program:** IT005 | **Section 3:** n/a | **Section 4:** n/a | **Section 5:** n/a | **Amount:** \$28,974.61 |

Div.: 30-02 | **Fund:** 1000 | **SubFund:** 100010 | **Obj. Class.:** 03 | **Main Acct.:** 63945 | **Program:** SS001 | **Section 3:** n/a | **Section 4:** n/a | **Section 5:** n/a | **Amount:** \$173,591.60 |

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.

