

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 24, 2013
	Agenda Item No. 38 Roll Call No. [_____] Communication No. <u>13-336</u> Submitted by: John Newman, CIO, Information Technology Department

AGENDA HEADING:

Approval of amendment to the Microsoft Enterprise Agreement to add licensing for Office 365 software, a subscription based office suite built around the standard Microsoft Office platform.

SYNOPSIS:

Recommend approval of amendment to the Microsoft Enterprise Agreement to add licensing for Office 365 software, a subscription based solution built around the standard Microsoft Office platform. This software is Microsoft’s Internet cloud version of their Office suite of products. This recommendation builds on the prior cloud computing decision with Google, but gives the City the necessary functionality to move forward with enterprise-wide products that are tied to the Microsoft Office suite of products (Outlook, Word, Excel, and Sharepoint).

Microsoft has offered an economically compelling pricing package to gain back our business. The per user licensing fee would be reduced 32%. Additionally, they are offering a deployment reimbursement fee to offset the costs of migrating our data from Google to Microsoft. That fee is \$52,800. Our deadline for placing this order is June 25, 2013. Microsoft has granted the City a 90-day extension on this offer which was originally due to expire at the end of March.

FISCAL IMPACT:

Amount: \$120,951 annually for three (3) years

Funding Source: FY2013/2014 Operating Budget, Information Technology, Enterprise Application Development, Contractual Services, GE001, IFT010300, Page 141; and State of Iowa, Microsoft Class Action Settlement

ADDITIONAL INFORMATION:

In February 2011, the City of Des Moines signed an agreement with Google for email and email archive services. The agreement was for three (3) years. User email accounts were migrated from Microsoft Exchange/Outlook to the Google platform. This decision was the first use of the Internet cloud for City of Des Moines software applications. In three (3) years, that platform has become the norm for enterprise technology.

In December 2011, the City of Des Moines selected Tyler Technology as our enterprise resource planning (ERP) vendor. The selection was made after an extensive Request for Proposals (RFP)

process. Tyler was one of four (4) finalists in the selection process. Tyler uses the Microsoft platform for all application processing. There is no integration from Tyler with any other email/office suite vendor. For the City to take advantage of the workflow process (using notifications, approvals, alerts, etc.) that is built into the Tyler system, we must use a Microsoft platform for email, documents and spreadsheets.

There are many advantages for making this migration. Most have to do with ease of completion of user tasks which plays a significant role in productivity. This applies to not only ERP but the exchange of documents and files between staff and other organizations. There are also significant advantages for information technology (IT) in migrating to the Microsoft Office suite, such as:

- Allows full workflow utilization in new ERP (Tyler Technologies)
- Access anywhere
- Continues the cloud decision
- Improves sharing and collaboration of documents
- Promotes a green, sustainable computing infrastructure
- Security standards for one (1) computing infrastructure
- One (1) platform to support, file servers and databases are all Microsoft
- Maintains the latest versions of the software/IT will not need to perform upgrades

PREVIOUS COUNCIL ACTION(S):

Date: April 22, 2013

Roll Call Number: [13-0653](#)

Action: [Exception](#) to procurement ordinance competitive bidding requirements for a three (3)-year agreement with Insight Public Sector (Kenneth Lamneck, President/CEO) for Microsoft Software products and services per State of Iowa contract for use by the Information Technology Department, \$859,753.92 total for 3 years. ([Council Communication No. 13-206](#)) Moved by Hensley to adopt. Motion Carried 7-0.

Date: April 26, 2010

Roll Call Number: [10-623](#)

Action: [Exception](#) to procurement ordinance competitive bidding requirements and approve State of Iowa Contract procurement of Microsoft Software Products and Services from Insight Public Sector (Kenneth Lamneck, President and CEO), \$557,815.26. ([Council Communication No. 10-208](#)) Moved by Coleman to adopt. Motion Carried 7-0.

Date: June 8, 2009

Roll Call Number: [09-1012](#)

Action: Bids from the following:

- (D) [Insight](#) Public Sector to upgrade 1,320 Microsoft Enterprise Agreement Standard Core Client Access Licenses (CALs) to Microsoft Enterprise (CALs) per State of Iowa Contract for use by the

Information Technology Department, \$108,525.10. ([Council Communication No. 09-372](#)) Moved by Vlassis to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Annual obligation under three-(3) year contract terms Microsoft Enterprise Agreement for all covered products for annual licensing and software subscription true-ups.

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