



Legislation Text

File #: 21-0192, **Version:** 1

TO: Mayor Richard Irvin

FROM: Michael Pegues, CIO
Jeff Anderson, Deputy CIO

DATE: March 19, 2021

SUBJECT:

Resolution to enter into a three-year Enterprise Agreement for the purchase of Microsoft software from the State of Illinois Department of Innovation and Technology Joint Purchasing Contract CMT #1176800 with Dell Marketing L.P. in an amount of \$1,237,190.52.

PURPOSE:

The Information Technology Division requests authority to purchase a three-year renewal of Microsoft Enterprise and Select licenses from Dell Marketing L.P. (Dell). This Microsoft Enterprise Agreement (EA) purchase will include licenses and software assurance for previously covered applications and Office 365.

This purchase will renew Microsoft desktop operating system licenses for computing devices (desktop computers, laptops, tablets and smart phones) currently utilized by staff city-wide, for email and the full suite of Microsoft Office 365 products. Also included in this purchase is Microsoft enterprise licensing SQL Database licenses SharePoint Server, Data Center and System Configuration Manager licensing.

BACKGROUND:

The City has used an EA to license and manage Microsoft software since at least 2014. The EA is offered through Microsoft and administered by approved partners to sell and support Microsoft products as Microsoft does not sell directly to the public. An EA streamlines license management within the City, simplifies purchasing and provides for predictable payments throughout the agreement. Under an EA, the costs for both maintenance and new purchases are spread out over the three years of the contract term. Prices are also locked for the term of the contract and updates to software are included in the EA at no additional cost through the Microsoft Software Assurance program, which provides for technical support, training and planning services.

The State of Illinois holds a Microsoft Licensing Solutions Provider (LSP) Statewide Master Contract which provides government pricing levels on all Microsoft products that has been awarded to Dell, a Microsoft Licensing Solutions Partner. Through the State contract, the City is provided a level of pricing and service which is comparable to the pricing provided to commercial customers who license 15,000 or more users.

DISCUSSION:

The City's current EA was renewed by City Council on March 6, 2018 for an amount not to exceed \$882,791.64 - annual cost \$294,263.88.

This three-year EA renewal is for \$1,237,190.52 with an annual cost of \$412,396.84.

Since 2019, city IT staff have been consolidating network architecture hardware and services that used to be maintained as separate APD and Municipal networks. Although this EA renewal includes an annual increase of \$118,132.96 for Microsoft services, 98.7% of these software costs (\$116,601) are offset by eliminating duplicative software that supported separate APD and Municipal networks. These offsets are shown in red in the attached Network Consolidation Savings document. The complete network consolidation effort - including non-Microsoft software and other hardware - will result in an annual cost savings of approximately \$36,000.

Funds are available for this purchase in IT account 101-1380-419.38-11 specifically in the amount of \$355,100 for Microsoft, and the total funding in this account is \$1,404,680.

IMPACT STATEMENT:

As part of the City of Aurora Technology Strategic Plan or "IT Roadmap" for 2019, the Information Technology Division is seeking to evaluate and improve efficiencies throughout the organization. This purchase is aligned with the Strategic Plan.

RECOMMENDATIONS:

Recommendation is to enter into a three-year Enterprise Agreement for the purchase of Microsoft software from the State of Illinois Department of Innovation and Technology Joint Purchasing Contract CMT #1176800 with Dell Marketing L.P. in an amount of \$1,237,190.52.

cc: Infrastructure & Technology Committee



CITY OF AURORA, ILLINOIS

RESOLUTION NO. _____
DATE OF PASSAGE _____

A Resolution to enter into a three-year Enterprise Agreement for the purchase of Microsoft software from the State of Illinois Department of Innovation and Technology Joint Purchasing Contract CMT #1176800 with Dell Marketing L.P. in an amount of \$1,237,190.52.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals,

and welfare; and

WHEREAS, Microsoft software products are used by all city staff for services including email, anti-virus and office productivity software and

WHEREAS, the State of Illinois holds a Microsoft Licensing Solutions Provider (LSP) Statewide Master Contract which provides government pricing levels on all Microsoft products that has been awarded to Dell, a Microsoft Licensing Solutions Partner.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Aurora, Illinois, as follows: agrees to enter into a three-year Enterprise Agreement for the purchase of Microsoft software from the State of Illinois Department of Innovation and Technology Joint Purchasing Contract CMT #1176800 with Dell Marketing L.P. in an amount of \$1,237,190.52.