

**Metropolitan Transportation Commission
Administration Committee**

March 8, 2023

Agenda Item 2f

**Contract - Microsoft Volume Enterprise Licensing Agreement: SoftwareONE, Inc.
(\$1,250,000)**

Subject:

Approval of a contract in an amount not to exceed \$1,250,000, for the term of May 1, 2023 through April 30, 2026 with SoftwareONE, Inc., for the renewal of MTC's Enterprise Software Licensing Agreement for desktop, data center, and cloud subscription software, including multiple Microsoft software products used across the agency, with the option to renew for an additional three-year term.

Background:

MTC has standardized on Microsoft desktop and data center software since the early 1990's. In 2013, Microsoft's cloud services were added as well. Since 2006, this Committee has authorized the Executive Director to enter into a series of multi-year enterprise agreements for Microsoft products, taking advantage of a volume licensing discount made possible by a cooperative purchasing agreement established through Riverside County. Use of such cooperative agreements is permitted under the Agency's purchasing policies. contained in the Executive Director's Management Memorandum (EDMM) No. 352 The Riverside County agreement explicitly allows for any public agency in the state to leverage that agreement, obtaining large volume discounts that would otherwise be unavailable to smaller agencies conducting their own competitive procurements. This arrangement has been used by hundreds of agencies across the state, including several in the Bay Area, as well as by the State's Department of General Services.

The enterprise volume license includes standard desktop software (such as Windows and Microsoft Office), specialized software (such as Project, Visio. PowerApps), server-based software (such as Windows Server for Data Centers and SQL Server for databases), and cloud-based services (such as Office 365, SharePoint Online and Exchange Online). The main benefits of the enterprise agreement include:

- guaranteed product pricing during the three-year term (if we have to add licenses)
- access to all product version updates as soon as they become available

- access to additional products and services as technology and our needs change

The current enterprise agreement (ending April 30, 2023) that was authorized by this Committee on March 1, 2017, allowed the Executive Director to issue a purchase order to SoftwareONE, Inc., with the ability to extend for three additional years, subject to annual operating budget approvals. Due to the multi-year nature of this enterprise agreement, it was determined that a contract is more appropriate than a purchase order.

SoftwareONE, Inc., is neither a small business nor a disadvantaged business enterprise, and has no subcontractors.

Issues:

None.

Recommendations:

Staff recommends that the Committee authorize the Executive Director or designee to enter into a contract with SoftwareONE, Inc., in an amount not to exceed \$1,250,000 for the term of May 1, 2023 through April 30, 2026, for the renewal of MTC's Enterprise Software Licensing Agreement for desktop, data center, and cloud subscription software, including multiple Microsoft software products used across the agency, with the option to renew for an additional three-year term; subject to annual approval of the MTC operating budget, with the option to extend for three additional years, subject to subsequent annual operating budgets approvals.

Attachments:

- Request for Committee Approval – Summary of Proposed Contract



Andrew B. Fremier

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.: 1161

Consultant: SoftwareONE, Inc.
Waukesha, WI

Work Project Title: Microsoft Volume Enterprise Licensing Agreement

Purpose of Project: Enterprise software licenses, May 2023 – April 2026

Brief Scope of Work: Provide Microsoft Enterprise Licensing for all Microsoft desktop, data center, and cloud subscription software, including version upgrades, software maintenance, and technical support.

Project Cost Not to Exceed: \$1,250,000

Funding Source: General Funds

Fiscal Impact: Funds for the first year of this agreement are available in MTC’s current operating budget for FY 2023-24 (\$400,000). Future years are subject to approval of the FY 24-25 (420,000) and FY 25-26 (\$430,000) budgets.

Motion by Committee: That the Executive Director or designee is authorized to enter into a contract with SoftwareONE, Inc., for the acquisition of enterprise software licenses through a Microsoft Volume Enterprise Licensing Agreement from May 2023 through April 2026, as described above and in the Administration Committee Summary Sheet dated March 8, 2023, and that the Chief Financial Officer is authorized to set aside \$400,000 in FY 2023-24, and future funding of \$420,000 in FY 2024-25 and \$430,000 in FY 2025-26, subject to future annual budget approvals.

Administration Committee: _____
Federal D. Glover, Chair

Approved: March 8, 2023