



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Administration Committee

DATE: March 1, 2017

FR: Executive Director

RE: Purchase Order – Microsoft Enterprise Volume Licensing Agreement: SoftwareONE, Inc. (\$555,000)

This memorandum requests approval for a purchase order in an amount not to exceed \$555,000 with SoftwareONE, Inc., (formerly CompuCom Software Management), for a three-year Microsoft Enterprise Software License and Hosting Agreement, which would include an amount of \$185,000 for each year, with the option to renew for one additional three-year agreement.

Background

MTC has standardized by installing Microsoft's operating system (Microsoft Windows) and desktop productivity software (Microsoft Office) on desktop personal computers since the early 1990's. Since 2006, MTC has had an enterprise-wide volume licensing and support agreement with Microsoft to lower costs and increase flexibility in changing quantities or adjusting the product mix. MTC also utilizes Microsoft's Cloud-based subscription service for several key technology functions including email, calendaring and document management. A volume licensing agreement substantially lowers the costs for other Microsoft software that is used by a smaller number of staff, such as Project (for project planning and management) and Visio (for technical diagrams), as well as any server operating system software. Volume licensing also includes higher levels of technical support and on-line software training opportunities.

The proposed agreement with SoftwareONE, Inc. piggybacks on a competitive procurement performed by Riverside County, which was recently renewed in November 2016. This agreement is used by over 600 agencies state-wide, including many in the Bay Area, as well as by the State of California's Department of General Services for its own statewide licensing procurement. This cooperative purchase arrangement is compliant with EDMM 352 (Third-party Contracting Services Policies and Procedures), and achieves significantly lower unit costs than could be obtained if MTC had conducted its own competitive procurement.

Since 2006, this Committee has authorized the Executive Director to enter into similar three-year licensing agreements with the opportunity to extend for three additional years.

Scope of Work

The enterprise volume license will cover standard desktop software (such as Windows and Microsoft Office), specialized software (such as Project and Visio), server-based software (such

as Windows Server and SQLServer database) and Cloud-based services (such as Office 365, SharePoint Online, and Exchange Online).

Recommendation

Staff recommends that the Committee authorize the Executive Director or his designee to issue a purchase order to SoftwareONE, Inc. in an amount not to exceed \$555,000 over three years, with the ability to extend for three additional years, subject to subsequent annual operating budget approvals.



Steve Heminger

Attachments

SH:nr

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Purchase Order

Work Item No.:	1161
Consultants:	SoftwareONE, Inc. Waukesha, WI
Project Title:	Microsoft Enterprise Volume Licensing Agreement
Purpose of Project:	Enterprise software licenses, April 2017 – April 2020
Brief Scope of Work:	Vendor will provide Microsoft Enterprise Licensing for all Microsoft desktop and server software as well as Microsoft Cloud-based subscriptions used within MTC, including version upgrades and technical support.
Project Cost Not to Exceed:	\$555,000
Funding Source:	Agency General Operations budget (TDA)
Fiscal Impact:	\$185,000 is available in MTC's budget for FY 2016-17. Future years are subject to approval of the FY 2017-18 (\$185,000) and FY 2018-19 (\$185,000) budgets.
Motion by Committee:	That the Executive Director or his designee is authorized to issue a purchase order to SoftwareOne, Inc., for the acquisition of enterprise software licenses through a Microsoft Enterprise Agreement from April 2017 through April 2020, as described above and in the Executive Director's memorandum dated March 1, 2017, and the Chief Financial Officer is authorized to set aside funds in the amount of \$185,000 for the purchase order in FY 2016-17, and \$185,000 in FY 2017-18 and \$185,000 in FY 2018-19, subject to future agency annual budget approvals.
Administration Committee:	<hr/> Federal D. Glover, Chair
Approved:	Date: March 8, 2017