

RESOLUTION NO. 2013-45

AUTHORIZING CONTRACT NO. 2013-095 WITH DELL MARKETING, LP FOR THE PURCHASE OF A MICROSOFT ENTERPRISE LICENSE AGREEMENT THROUGH THE STATE OF OHIO, DEPARTMENT OF ADMINISTRATIVE SERVICES, COOPERATIVE PURCHASING PROGRAM, AS SPECIFIED, FOR A PERIOD OF THREE YEARS AT A TOTAL PRICE NOT TO EXCEED \$724,395.60 (RTA DEVELOPMENT AND GENERAL FUNDS, INFORMATION TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Authority requires the ability to update the Authority's Operating Systems and Applications to the latest supported releases via an Microsoft Enterprise License Agreement; and

WHEREAS, this license agreement is available through the State of Ohio, Department of Administrative Services, Cooperative Purchasing Program through Dell Marketing, LP, located at One Dell Way, Round Rock, TX 78682, at a price not to exceed \$724,395.60 for a period of three years; and

WHEREAS, Section 306.43 (H)(4) of the Ohio Revised Code provides political subdivisions within the State of Ohio, the opportunity to participate in contracts executed by the State of Ohio, Department of Administrative Services; and

WHEREAS, the Board of Trustees authorized utilization of the Cooperative Purchasing Program in Resolution No. 1990-69; and

WHEREAS, the General Manager/Secretary-Treasurer deems it is in the best interest of the Authority to procure the Enterprise License Agreement from Dell Marketing, LP utilizing the Cooperative Purchasing Program and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the offer of Dell Marketing, LP for furnishing a Microsoft Enterprise License Agreement for a period of three years be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Dell Marketing, LP for furnishing a Microsoft Enterprise License Agreement for a period of three years.

Section 3. That the first year of the contract shall be payable from the RTA Development Fund, Information Technology Department budget, including but not limited to Capital Grant OH-90-X728, in an amount not to exceed \$241,465.20 (\$193,172.16 in Federal funds which represents 80% of the first year cost), while remaining years two and three shall be funded through the General Fund (Information Technology Department budget in an amount not to exceed \$482,930.40, pending future Board approval, for a total amount not to exceed \$724,395.60.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds for future years, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2013-031; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: June 18, 2013

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT: MICROSOFT ENTERPRISE LICENSE AGREEMENT FOR THREE YEAR PERIOD</b>  <b>VENDOR: DELL MARKETING, LP</b>  <b>AMOUNT: NOT TO EXCEED \$724,395.60</b>	<b>Resolution No.:</b> 2013-45
	<b>Date:</b> June 13, 2013
	<b>Initiator:</b> Information Technology
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval      Review/Comment      Information Only      Other _____	

- 1.0 **PURPOSE/SCOPE:** This resolution will allow the Authority to enter into a contract for the furnishing of a Microsoft Enterprise License Agreement from the State of Ohio, Department of Administrative Services Cooperative Purchasing Agreement.
- 2.0 **DESCRIPTION/JUSTIFICATION:** A large portion of the Authority's user population is still using Office 2000 on Windows XP. Office 2000 reached end-of-support in 2004, and is five generations behind Office 2013, while Windows XP is reaching end-of-support this year and is four generations behind Windows 8. Similarly, many of the Authority's servers are running Windows Server 2000/2003, which are already unsupported and several generations behind the current Microsoft server operating system, Windows Server 2012. In order to upgrade the Authority's Operating Systems and Applications to the latest supported releases, the Authority must either purchase individual licenses for each PC and server, or enter into an Enterprise Agreement. An Enterprise Agreement will be less costly than purchasing licenses individually, and includes support services and upgrades for the duration of the agreement.
- 3.0 **PROCUREMENT BACKGROUND:** Section 306.43 (H)(4) of the Ohio Revised Code provides political subdivisions within the State of Ohio, the opportunity to participate in contracts executed by the State of Ohio, Department of Administrative Services, for the purchase of supplies, services, equipment and certain materials. Resolution No. 1990-69 gives authorization to the General Manager/Secretary-Treasurer to utilize the State of Ohio Cooperative Purchasing Program. Microsoft requires a three-year commitment for an Enterprise License Agreement. The first year is at a price not to exceed \$241,465.20. Additional annual payments for years two and three are estimated at \$241,465.20 each, for a total contract amount not to exceed \$724,395.60. The prices established under the state program are the result of a competitive bidding process.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** The Office of Business Development does not conduct Affirmative Action reviews or establish goals on procurements included in the State Cooperative Purchasing Program.
- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 ECONOMIC IMPACT: That the first year of the contract shall be payable through the RTA Development Fund, Information Technology Department budget, including but not limited to, Capital Grant OH-90-X728, Line Item 11.42.08, in an amount not to exceed \$241,465.20 (\$193,172.16 in Federal funds which represents 80% of the first year cost), while remaining years two and three shall be funded through the General Fund, Information Technology Department budget in an amount not to exceed \$482,930.40, pending future Board approval, for a total amount not to exceed \$724,395.60. The offer is 4% below the independent cost estimate.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would force the Authority to continue using unsupported software which could pose significant security and business risks, impact user productivity, and increase the support effort/cost to maintain our systems.
- 8.0 RECOMMENDATION: It is recommended that the offer of Dell Marketing, LP be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

  
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CEO, General Manager/Secretary-Treasurer