



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/25/2014

Agenda Placement: 6Q

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Jon Gjestvang - Chief Information Officer
Information Technology Services
REPORT BY: Maiko Klieman, STAFF SERVICES MANAGER - 707-259-8665
SUBJECT: Microsoft Enterprise License Renewal

RECOMMENDATION

Chief Information Officer requests approval of an Enterprise Agreement with Microsoft Corporation for a maximum of \$757,000 for the term November 1, 2014 through October 31, 2017 for the County to enroll in the Microsoft Enterprise License.

EXECUTIVE SUMMARY

All computers managed by the County's Information Technology Services come with Microsoft products installed. Rather than purchasing individual licenses for each of the computers, Microsoft offers an Enterprise/Volume Licensing at a discounted price. The Enterprise Agreement has a 36 month term and sets pricing on various products for that period of time. Today's request is for the Board to approve the Enterprise Agreement. The maximum amount set on the agreement is based on the number of licenses as of now. However, since the agreement requires the County to "true-up" with the number of licenses each year, the price may change each year. ITS receives a quote each year based on the number of licenses at that time and issues a Purchase Order.

Microsoft Corporation is not a local vendor.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes

Where is it budgeted?	Information Technology Services' (ITS) budget, which is included in all County departments' ITS allocation.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The County needs Microsoft licensing to be able to use Microsoft products.
Is the general fund affected?	Yes
Future fiscal impact:	This Enterprise Agreement sets the rates for each of the products but the County is required to report each year on the number of licenses and the price will vary depending on that. Microsoft issues a quote each year and the County in return issues a Purchase Order. ITS will continue to include the cost in its future budgets.
Consequences if not approved:	Microsoft products are needed in order for the County staff to perform their work and for ITS to run computer systems.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

All computers managed by the County's Information Technology Services come with Microsoft products installed. Rather than purchasing individual licenses for each of the computers, Microsoft offers an Enterprise/Volume Licensing at a discounted price. The Microsoft Enterprise Agreement is an annual program that covers licensing of standard desktop software (Microsoft Office, Microsoft Windows and other Microsoft desktop products) and covers licensing of computer server products. The Enterprise Agreement has 36 months terms and sets pricing on various products for that period of time. The maximum amount set on the agreement is based on the number of licenses as of now. However, since the agreement requires the County to "true-up" with the number of licenses each year, the price may change each year. ITS receives a quote each year based on the number of licenses at that time and issues a Purchase Order.

Some of the key benefits realized from this program are that the computers can be upgraded to any Microsoft product version as they choose and when convenient and it protects the County against Microsoft price increases for the duration of the agreement.

Napa County is part of the California Statewide cooperative license purchase agreement for the statewide Microsoft Enterprise software and services programs, which was negotiated by the County of Riverside. There are 388 governmental agencies and California that utilize this enterprise agreement.

Microsoft Corporation is not a local vendor. There are no local vendors that provide similar Microsoft software products for the County's computer desktop and server software needs.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi