

CIP BUDGET EXPENSE DETAIL

DATE OF COUNCIL CONSIDERATION:

4/26/12

CONTACT DEPARTMENT(S):

Communications and Technology Management

SUBJECT: Authorize Amendment No. 6 to a contract with SUMMUS INDUSTRIES, INC., (MBE) Sugarland, TX, for a Microsoft Enterprise License Agreement to add \$203,079 for a DIR contract cost increase, \$506,840 for additional requested Microsoft products for the current FY, and \$2,557,979 in contingency spending authority for annual license true up for the remaining 4 years of the contract period, for a total amendment amount not to exceed \$3,267,898 and for a total contract amount not to exceed \$18,865,334.

CURRENT YEAR IMPACT:

Department:

Communications and Technology Ma

Project Name:
Funding Source:
Fund/Dept/Unit:

Fire IT Replacement
General Fund Transfer
8641-5607-0252

Current Budget
Unencumbered Balance
This Action
Estimated Available

528,495
117,094
(26,332)
90,762

Project Name:
Fund/Dept/Unit:
Funding Source:

Police IT Replacement
8641-5607-0253
General Fund Transfer

Current Appropriation
Unencumbered Balance
Amount of This Action
Estimated Available

3,188,618
585,050
(19,749)
565,301

Project Name:
Fund/Dept/Unit:
Funding Source:

CTM IT Replacement
8641-5607-0278
General Fund Transfer

Current Appropriation
Unencumbered Balance
Amount of This Action
Estimated Available

4,957,784
736,427
(46,214)
690,213

Project Name:
Fund/Dept/Unit:
Funding Source:

EMS IT Replacement
8641-5607-0251
General Fund Transfer

Current Appropriation
Unencumbered Balance
Amount of This Action
Estimated Available

778,644
40,432
(14,629)
25,803

Department:	POLICE
Project Name:	DVV SYSTEM
Funding Source:	Contractual Oblig
Fund/Dept/Unit:	8180-8707-0014
Current Appropriation:	15,400,000
Unencumbered Balance	2,629,042
This Action	(98,726)
Estimated Available	<u>2,530,316</u>
Total Amount of this Action	<u><u>205,649</u></u>

ANALYSIS / ADDITIONAL INFORMATION: The initial Microsoft enterprise license agreement which was approved in September, 2010 included the basic software needed to run the business of the City and any subsequent upgrades. Five subsequent amendments have been issued to add additional spending authority and other Microsoft products to the ELA.

The amount of the initial contract was based on the number of computers that were determined to have accessed the network during a 60-day period in September, 2010. The contract allowed for additional licenses to be added as required, with the additional costs to be billed upon an annual "true up" at the end of each contract year. The initial contract amount included 2% for contingency to cover license true up.

The cost for the first year true up exceeded the 2% contingency of \$58,153 (if annualized). Based on the first year experience, the initially approved 2% contingency will be insufficient for the subsequent years of the contract. Therefore, additional spending authority is now being requested for true up expenses for the remaining contract period. This RCA requests an increase in the contingency from 2% to 22.5% of the remaining contract amount for 2012 through 2015 to add sufficient spending authority to cover the estimated "true up" for any and all Microsoft products added during subsequent years of the contract.

This request also includes a price increase of 2.27% beginning in February, 2012 due to an increase in the DIR pricing for Microsoft products. The price increase will apply to annual payments as well as end of year "true-up". The contract includes client access licenses for City computers as well as all Microsoft products that were not included in the cost estimate for the initial contract such as Microsoft Project and Microsoft Visio.

This amendment also includes a request for contract spending authority in the amount of \$506,840 for citywide budgeted Microsoft requests already identified for 2012 through the end of the first quarter of FY 2012. Some of the larger requests include: \$98,726 for requirements of the Digital Vehicular Video Project, \$37,635 for the Austin Regional Intelligence Center and \$54,112 for core client access licenses for replacement MDCs for Public Safety departments. It also includes \$7006 for Win Standard Server for Austin Water, \$13,607 for Microsoft TechNetPlus subscriptions and Datacenter server conversions for ABIA and \$295.754 for Microsoft Project Professional. Visio Pro. Visio Premium. SQL Server Standard