

SUBJECT: Award of Bid No 20-079B to CDW Government, LLC, for Purchase Microsoft Enterprise Agreement for the amount of \$707,294.36.


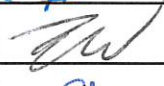




AGENDA OF: February 18, 2020

ASSEMBLY ACTION:

2.18.2020 Approved under the consent agenda. KRT

MANAGER RECOMMENDATION: Present to the assembly for consideration

APPROVED BY JOHN MOOSEY, BOROUGH MANAGER: _____

Route To:	Department/Individual	Initials	Remarks
	Purchasing		
	Information Technology Director		2-4-2020
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT (S) : Fiscal Note: Yes ☒ X No ☐
Analysis Sheet (2 pp)

Memorandum (app)

SUMMARY STATEMENT: On December 18, 2019, the Matanuska-Susitna Borough Purchasing Division issued solicitation 20-079B requesting bids from certified Microsoft resellers to enter into a three (3) year Microsoft Enterprise Agreement.

This new agreement essentially replaces the previous Microsoft Enterprise Agreement that has been in place for the last six years. Entering into a new Enterprise Agreement will continue to keep our overall software costs as low as possible and allow for planned software updates when they are tested and available. Licenses can be acquired and installed immediately. This cuts costs associated with researching and tracking licenses, generating and processing purchase orders, and helps eliminate funding shortfalls and confusion associated with upgrades to Borough core software and operating systems. The Enterprise Agreement will allow the Borough to stay in compliance with Microsoft licensing requirements at a reduced cost when compared with purchasing all components individually.

The investment will be \$197,011.32 for the first year and \$255,141.52 for each of the next two years for a total of \$707,294.36 over the three year period. This three year investment will support our existing licensing and will also provide for Software Assurance which gives the license owner the ability to upgrade to the latest version of any licensed product. This licensing level also includes access to various Microsoft tools that assist in managing computers and provides for elevated Microsoft support.

The contract term will begin July 1, 2020 and end June 30, 2023 and is subject to annual appropriation of funds by the Assembly.

The Information Technology Department will be responsible for contract administration.

In response to the advertisement, two (2) bids were received. The award recommendation is being made to the lowest responsive and responsible bidder.

RECOMMENDATION OF ADMINISTRATION: Award Bid No. 20-079B, to CDW GOVERNMENT, LLC for the amount of **SEVEN HUNDRED SEVEN THOUSAND TWO HUNDRED NINETY FOUR AND 36/100 DOLLARS (\$707,294.36)** for **PURCHASE MICROSOFT ENTERPRISE AGREEMENT.**

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: February 18, 2020

SUBJECT: Award of Bid No 20-079B to CDW Government, LLC, for Purchase Microsoft Enterprise Agreement for the amount of \$707,294.36.

ORIGINATOR: Purchasing

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>YES</u> NO
AMOUNT REQUESTED \$ <u>707,294.36</u>	FUNDING SOURCE <u>ARA IT Operating Budget</u>
FROM ACCOUNT # <u>100.115.122 426.600</u>	PROJECT #
TO ACCOUNT :	PROJECT #
VERIFIED BY: <u>Hannah Mulvey</u>	CERTIFIED BY:
DATE: <u>2/4/2020</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Personnel Services						
Travel						
Contractual <u>Software Services</u>		<u>197 *</u>	<u>*255</u>	<u>*255</u>		
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING		<u>197 *</u>	<u>255 *</u>	<u>*255</u>		

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

General Fund		<u>197 *</u>	<u>255 *</u>	<u>*255</u>		
State/Federal Funds						
Other						
TOTAL		<u>197 *</u>	<u>255 *</u>	<u>*255</u>		

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary) * Subject to annual appropriation

PREPARED BY: Hannah Mulvey PHONE: _____
 DEPARTMENT: Chesemum DATE: _____
 APPROVED BY: [Signature] DATE: 2/4/2020

20-079B Purchase Microsoft Enterprise Agreement

BIDDER	CADW-GARDA.	ZONES LLC	PENG -
Signed Bid Form	OKg	OKg	/
Receipt of Addendum (1)	OKg	OKg	/
DESCRIPTION	BID PRICE	BID PRICE	BID PRICE
Microsoft Enterprise Agreement per Bid Documents and Scope of Services (1 Year)	196,379.47	197,607.86	BID
Microsoft Enterprise Agreement per Bid Documents and Scope of Services (3 Years)	589,138.41	592,823.57	ND
Alternate #1 (1 Year) M365 E5 Security and Compliance Packaging (M365E5Security ShrdSvr ALNG Subsvl MVL PerUsr)	58,762.05	10,015.52	/

RECOMMENDATION:

Taken with adjustment

PURCHASING OFFICER

PURCHASING REPRESENTATIVE

PURCHASING REPRESENTATIVE

PROJECT MANAGER

DATE _____

WITNESS

WITNESS

WITNESS

AM 20-010



MATANUSKA-SUSITNA BOROUGH

Purchasing Division

350 East Dahlia Avenue • Palmer, AK 99645
Phone (907) 861-8601 • Fax (907) 861-8617
purchasing@matsugov.us
www.matsugov.us

Recommendation of Award/Verification and Distribution of Funds

Solicitation Number: 20-079B

Entitled: Purchase Microsoft Enterprise Agreement (3 Year)

DATE: January 27, 2020

TO: Eric Wyatt, Information Technology Director

THROUGH: Dan Monarch, Operations Manager

FROM: Rustin Krafft, Purchasing Officer

SUBJECT: Recommendation of Award, Verification and Distribution of Funds
Solicitation Number: 20-079B
Solicitation Title: Purchase Microsoft Enterprise Agreement (3 Year)

Bids for the above listed project were received in the office of the Purchasing Officer on January 9, 2020. The bid is summarized below:

Bidder	Total Base Bid Price (3 Years)	Alternate #1 (Per Year)	Award
CDW Government, LLC	\$589,138.41	\$58,762.05	Yes
Zones, LLC	\$592,823.57	\$101,015.52	No

Based on the above, the Matanuska-Susitna Borough Purchasing Division will award to **CDW Government, LLC** in the amount of **\$707,294.36** as the lowest responsive and responsible bidder. Base Bid price per year = \$196,379.47. Additive Alternate licensing is \$126.37 per license per year. Year 1 only 5 licenses will be purchased for testing purposes (\$631.85). Years 2 & 3, 465 licenses planned to be purchased.

Funds were certified as available and have been distributed as follows:

Account Number		Amount
100.115.122.426.600 (FY '21)	Alternate #1 +(\$631.85)	\$197,011.32
100.115.122.426.600 (FY '22)	With Additive Alternate #1 +(\$58,762.01)	\$255,141.52
100.115.122.426.600 (FY '23)	With Additive Alternate #1 +(\$58,762.01)	\$255,141.52
Total Award		\$707,294.36

The project area is located in Assembly District(s): All

☒ Concur

☐ Concur with the above changes in coding


(Project Manager's Signature)


(Director)

Please mark, sign and return to Purchasing.

AM 20-010



MATANUSKA-SUSITNA BOROUGH

Information Technology Department

350 East Dahlia Avenue • Palmer, AK 99645

Phone (907) 861-8524 • Fax (907) 861-8168

www.matsugov.us

MEMORANDUM

DATE: Feb 7, 2020

TO: John Moosey

FROM: Eric Wyatt, Information Technology Director

SUBJECT: Supplemental Information on AM 20-010, Approve Purchase of Microsoft Enterprise Agreement from CDW

The Microsoft (MS) Enterprise Agreement (EA) includes volume licensing for multiple MS software products: Windows Server (Active Directory, Exchange, SharePoint, Data Center, Teams, more), Windows 10 (desktop), Office (Word, Excel, Outlook), and Client Access Licenses (CALs). CALs allow individual user to access the many server-based systems we run.

The table below shows MS EA costs since FY15:

	FY15	FY16	FY17	FY18	FY19	FY20	FY21 (Est)	FY22 (Est)	FY23 (Est)
EA	\$ 321,230	\$ 321,230	\$ 321,230	\$ 156,478	\$ 156,478	\$ 156,478	\$ 197,011	\$ 255,141	\$ 255,141
Other (SharePoint, SQL)				\$ 82,996	\$ 82,996	\$ 125,262	\$ 82,996	\$ 82,996	\$ 82,996
Total				\$ 239,474	\$ 239,474	\$ 281,740	\$ 280,007	\$ 338,137	\$ 338,137
E3 moved									
Added E3 to EA									
Add M365/E5									
Del Sophos									
@ \$19K/year									
Number of Servers	120		150				140		
Number of User Cals (Full)	900		750			565	465		
Number of User Cals (Responder)	0		0			0	275		
MS Office	520		556				565		
Workstations	520		556	750+			780		

- Note that the number of servers and workstations has increased over the years. Post cyber attack the number of workstations increased due to a number of workstations now being 'off-domain' for security reasons.
- In the first 3 years, we were paying for all licensing. In the second 3 years we were paying 'Software Assurance', version upgrades only.
- In FY21 Microsoft is changing their licensing model to an annual 'Subscription'.

AM 20-010

- We have reduced the number of CALs, by first right sizing the number in FY17, and then by giving low-use DES Responders the right type of CAL at a lower cost.
- In FY18 the database, SQL and SharePoint licenses were split from the main EA because we got a better price by splitting.
- In FY20 we added the 'E3', this gives us Multi-Factor Authentication, which is essential for Security, and it lets us full access to Office 365, which is MS Office applications in the cloud, Word, Excel, PowerPoint, Outlook (Exchange), Teams, and SharePoint. This also allowed us to drop other software. This is in keeping with the strategic goal of "Enterprise Approach to Systems". The Office 365 access will allow us to start top migrate top cloud computing, which is a longer term goal.
- The FY21 quote for the EA portion, represents a new vendor at a better price then we were getting from the old vendor.
- The FY22 quote goes up, but at the same time we will eliminate other software, Enterprise Approach. We will gain the premiere anti-Malware protection in the industry. We will also gain full access to O365 services and further prepare us for migration to the cloud. Once cloud migration begins, we can start reducing the need to upgrade all local infrastructure.
- Note that the overall increase from FY15 to FY23 is \$17,000 in 8 years. This also represents access to more Microsoft products, better security, preparation for the cloud, and reduction of other software in our environment, for overall savings.

This legislation seeks to approve only the EA portion of this licensing, the top line for FY21-FY23. We are still working on new quotes for the SQL and SharePoint portion for FY21-23. New legislation will be prepared for that when ready.

Am 20-010

BID FORM
SOLICITATION 20-079B – Re-Bid
Purchase Microsoft Enterprise Agreement.

Provide all personnel, material, supplies, equipment, transportation and all other items as may be required to complete the services identified within the Scope of Work or specifications entitled: **Provide Microsoft Enterprise Agreement**. Bid will be awarded to the lowest responsive and responsible bidder.

Bid Item	Description	SKU	Quantity	Price Each (Per Year)	Bid Price (3 Years)
1.	Audio Conf ShrdSvr ALNG SubsvL MVL PerUsr	TJ7-00001	20	\$ 42.12 x 3=	\$ 2,527.20
2.	M365 E3 FromSA Unified ShrdSvr ALNG SubsvL MVL PerUsr	AAD-33200	465	\$ 287.45 x 3=	\$ 400,992.75
3.	M365F1FullUSL ShrdSvr ALNG SubsvL MVL PerUsr	JFX-00003	275	\$ 102.20 x 3=	\$ 84,315.00
4.	SysCtrDatactrCore ALNG SA MVL 16Lic CoreLic	9EP-00230	1	\$ 387.26 x 3=	\$ 1,161.78
5.	VSPProSubMSDN ALNG SA MVL	77D-00111	6	\$ 302.41 x 3=	\$ 5,443.38
6.	WinSvrDCCore ALNG SA MVL 2Lic CoreLic *	9EA-00278	48	\$ 123.98 x 3=	\$ 17,853.12
7.	WinSvrDCCore ALNG SASU MVL 2Lic WinSvrStdCore CoreLic	9EA-00279	92	\$ 248.24 x 3=	\$ 68,514.24
8.	WinSvrSTDCore ALNG SA MVL 2Lic CoreLic **	9EM-00270	14	\$ 17.47 x 3=	\$ 733.74
9.	WINENTperDVC ALNG UpgrdSAPk MVL	KV3-00381	40	\$ 63.31 x 3=	\$ 7,597.20
Total Bid Price Per Year				\$ 196,379.47	
Total Bid Price Three Years					\$ 589,138.41
Additive Alternate					
	Description		Quantity	Price Each (Per Year)	Bid Price (3 Years)
AL.	M365 E5 Security and Compliance Packaging (M365E5Security ShrdSvr ALNG SubsvL MVL PerUsr)		465	\$ 126.37 x 3=	\$ 176,286.15

CDW Government LLC
 Company Name


 Signature

BID FORM CONTINUED ON THE FOLLOWING 1 PAGE

905046121400210004911

4m 20-010

BID FORM (Continued)
SOLICITATION 20-079B – Re-Bid
Purchase Microsoft Enterprise Agreement.

By signing below, the Bidder is hereby certifying to the following –

1. The Bidder has carefully examined the bid documents for solicitation number **20-079B, entitled Provide Microsoft Enterprise Agreement** and agrees to perform all specified services for the sum(s) provided above.
2. The individual signing below, or the firm association or corporation of which they are a member, has not, either directly or indirectly, entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with this solicitation.
3. The individual signing below is authorized by the firm association or corporation to bind such association or corporation to a legal contract.
4. The individual signing below, or the firm association or corporation of which they are a member, is not debarred or suspended from doing business with the Matanuska-Susitna Borough.
5. They are acknowledging receipt of the following Addenda Numbers (if no addenda have been issued, either leave blank or write "N/A"):

Addenda numbers being acknowledged:

CDW Government LLC
Company Name

230 N Milwaukee Ave
Mailing Address

Vernon Hills, IL 60061
City, State and Zip Code

Aleko Kontos, Account Manager
Contact Person (printed or typed)

(877) 325-0918
Phone Number

(847) 465-5265
Facsimile Number

01/21/2020
Date


Signature

Matthew Flood
Printed (or typed) Name

Proposals Supervisor
Title (printed or typed)

alekkon@cdwg.com
Email Address

It shall be the responsibility of the Bidder to see that their bid is received at or before the date and time fixed for opening.

To be considered responsive, Bidders should include the following with their bid:

- ✓ Signed Bid Form (acknowledging Addenda if applicable)
- ✓ Any other items requested within the Instruction to Bidders & Scope of Work

*It is CDW Government LLC's intent that its proposal response, and CDW Terms & Conditions found at <https://www.cdwg.com/content/terms-conditions/product-sales.aspx>, shall provide the definitive terms to govern this submission. CDW.G is open to negotiating the contract terms and conditions with MATANUSKA-SUSITNA BOROUGH.

Am 20-010

QUOTE CONFIRMATION



DEAR ERIC WYATT,

Thank you for considering CDW•G for your computing needs. The details of your quote are below. [Click here](#) to convert your quote to an order.


QUOTE #	QUOTE DATE	QUOTE REFERENCE	CUSTOMER #	GRAND TOTAL
LDVQ268	1/17/2020	LDGD410	1980527	\$255,141.52

QUOTE DETAILS				
ITEM	QTY	CDW#	UNIT PRICE	EXT. PRICE
MS EA 500 PSTN CONFERENCING SS Mfg. Part #: TJ7-00001-12-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	20	4336203	\$42.12	\$842.40
MS EA M365 E3 FROM SA P/U Mfg. Part #: AAD-33200-12-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	465	5368733	\$287.45	\$133,664.25
MS EA M365 F1 FULL USL P/U Mfg. Part #: JFX-00003-12-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	275	5368739	\$102.20	\$28,105.00
MS EA SYSLTRD1ACTRCORE ALNG SA NYL Mfg. Part #: 9EP-00203-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	1	4706756	\$387.26	\$387.26
MS EA VSPROSUB1SDN ALNG SA NYL Mfg. Part #: 77D-00111-12-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	6	5109920	\$302.41	\$1,814.46
MS EA WIN SVR OCCORE SA NYL Mfg. Part #: 9EA-00278-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	48	4354663	\$123.98	\$5,951.04
MS EA WIN SVR OCCOREALW SA NYL Mfg. Part #: 9EA-00279-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	92	4713677	\$248.24	\$22,838.08
MS EA WIN SVRSTOCORE ALNG SA NYL 2LIC Mfg. Part #: 9EM-00270-12-SLG Electronic distribution - NO MEDIA Contract: Alaska NVP Software (ADSP016-130652)	14	5109925	\$17.47	\$244.58
MS MEA WIN ENT DCG/SS Mfg. Part #: KV3-00381-SLG	40	3812075	\$53.31	\$2,532.40

4M 20-010

QUOTE DETAILS (CONT.)				
Electronic distribution - NO MEDIA				
Contract: Alaska NVP Software (ADSP016-130652)				
NEW ITEMS DO NOT PICK THIS LINE	465	NEW-ITEM	\$126.37	\$58,762.05
Mfg Part#: NEW-ITEM				
PE1-00002-12-SLG				
M365ESSecurity ShrdSvr ALNG SubsVL				
MVL PerUsr				
Contract: MARKET				

PURCHASER BILLING INFO		SUBTOTAL	\$255,141.52
Billing Address: MATANUSKA-SUSITNA BOROUGH ACCTS PAYABLE 350 E DAHLIA AVE PALMER, AK 99645-6411 Phone: (907) 745-4801 Payment Terms: Net 30 Days-Govt State/Local		SHIPPING	\$0.00
		SALES TAX	\$0.00
		GRAND TOTAL	\$255,141.52
		Please remit payments to:	
DELIVER TO		CDW Government 75 Remittance Drive Suite 1515 Chicago, IL 60675-1515	
Shipping Address: MATANUSKA-SUSITNA BOROUGH ERIC WYATT 350 E DAHLIA AVE PALMER, AK 99645-6411 Phone: (907) 745-4801 Shipping Method: DROP SHIP-GROUND			

Need Assistance? CDW•G SALES CONTACT INFORMATION			
	Aleko Konros	(877) 325-0918	alekkon@cdwg.com

This quote is subject to CDW's Terms and Conditions of Sales and Service Projects at [http://www.cdwg.com/termsandconditions](#)
 For more information, contact a CDW account manager

© 2020 CDW•G LLC, 200 N. Milwaukee Avenue, Vernon Hills, IL 60061 | 800.808.4239



MATANUSKA-SUSITNA BOROUGH

Microsoft Enterprise Agreement Licensing SCOPE OF SERVICES

Introduction

The Matanuska-Susitna Borough (MSB) will complete a 6 year agreement for volume licensing of Microsoft products in June 2020. We are seeking to continue the current volume licensing strategy which simplifies and standardizes software licensing practices and ensures an upgrade path for our current and future Microsoft needs. In pursuit of this goal, the MSB is soliciting bids from qualified Microsoft Volume Licensing Resellers to engage in a three-year Enterprise Agreement (EA) with the option of renewing for two additional one-year terms for licensing of Microsoft products.

Deliverables

New EA Volume Licensing Details:

Product	SKU	QTY
Audio Conf ShrdSvr ALNG SubsVL MVL PerUsr	TJ7-00001	20
M365 E3 FromSA Unified ShrdSvr ALNG SubsVL MVL PerUsr	AAD-33200	465
M365F1FullUSL ShrdSvr ALNG SubsVL MVL PerUsr	JFX-00003	275
SysCtrDatactrCore ALNG SA MVL 16Lic CoreLic	9EP-00230	1
VSPProSubMSDN ALNG SA MVL	77D-00111	6
WinSvrDCCore ALNG SA MVL 2Lic CoreLic *	9EA-00278	48
WinSvrDCCore ALNG SASU MVL 2Lic WinSvrStdCore CoreLic	9EA-00279	92
WinSvrSTDCore ALNG SA MVL 2Lic CoreLic **	9EM-00270	14
WINENTperDVC ALNG UpgrdSAPk MVL	KV3-00381	40

* The Matanuska-Susitna Borough currently owns 48 datacenter core licenses covering an existing 96 datacenter cores.

** The Matanuska-Susitna Borough currently owns 248 standard core (2019) licenses covering an existing 496 standard cores on 2019 and 8 standard core (2016) licenses covering an existing 16 standard cores on 2016.

Under the new EA the Matanuska-Susitna Borough production environment requires a total of 280 datacenter cores and 28 standard cores. In order to get from our current 48 datacenter core licenses to the required 140 datacenter core licenses we need to step-up whatever number of standard cores that is necessary to acquire the 184 datacenter cores.

M365 E5 Security and Compliance Packaging		465
---	--	-----

Pricing should also be provided for this item as an add-on to the licensing above. The Matanuska-Susitna Borough has not decided if this SKU will be part of the new three year agreement but would like to see pricing in order to make a final decision.

Special Requirements

This engagement requires:

- An annual review of the Matanuska-Susitna Borough volume licensing that is in place to understand any changes to the licensing or purchased quantities which could impact or benefit the Borough.

Technical Specifications

Software for this SOW:

- Microsoft Volume Licensing Portal
- Partner Account Management and Volume Licensing Portal (if available)

Schedule

All licensing must be purchased and in place by June 30, 2020.

Disclaimer

The Borough shall have unrestricted rights to all delivered data and reports. All documentation and reports will be delivered electronically on the Borough intranet project management site in an editable Microsoft Office 2016 format.

---- End of Scope of Services----

Scope of Work

The Matanuska-Susitna Borough (MSB) is seeking to simplify and standardize software licensing practices and ensure an upgrade path for our current and future Microsoft needs. In pursuit of this goal, the MSB is soliciting bids from qualified vendors to engage in a six year Enterprise Agreement contract with a Licensing Solution Provider (LSP).

To be covered under the Microsoft Enterprise Agreement (EA):

SKU	Description	Enterprise Products	Licenses Needed
76A-00028	Enterprise User Cal with Software Assurance	EntCAL ALNG LicSAPk MVL Pltfrm UsrCAL wSrvcs	900
269-12445	Office Pro Plus (Microsoft Office Suite)	OfficeProPlus ALNG LicSAPk MVL Pltfrm	520
CX2-00094	Windows Pro with MDOP (Operating System)	WinEntforSAwMDOP ALNG UpgrdSAPk MVL Pltfrm	520
395-02412	Exchange Server	Exchange ExchgSvrEnt ALNG LicSAPk MVL	1
P71-07280	Windows Server Data Center (2 Processors)	WinSvrDataCtr ALNG LicSAPk MVL 2Proc	6
7JQ-00341	SQL Server Enterprise Core (2 Core)	SQLSvrEntCore ALNG LicSAPk MVL 2Lic CoreLic	16

ADDITIONAL REQUIREMENTS:

1. Software Assessment Management (SAM)

- A customer portal for Portfolio management that includes Software Assessment Management (SAM) and assistance in completing our annual true-up with Microsoft.

Bid 15-036B

Am 14-133 - October 21, 2014

Am 20-010