

1 [Agreement Amendments - En Pointe Technologies Sales, LLC - Microsoft Enterprise
2 Program Products - Not to Exceed \$14,719,597]

3 **Resolution authorizing the Department of Technology and the Office of Contract**
4 **Administration to enter into Amendment No. 1 to the Agreement between the City and**
5 **County of San Francisco and En Pointe Technologies Sales, LLC, for Microsoft**
6 **enterprise products, to increase the agreement amount by \$4,850,304 for an amount**
7 **not to exceed \$14,719,597 over the agreement term of June 25, 2014, through**
8 **May 31, 2017.**

9
10 WHEREAS, In 2014, the City sought to procure certain products and software services
11 related to the City’s needs for information technology; and

12 WHEREAS, The County of Riverside (“Riverside”) solicited bids for a Microsoft
13 Enterprise program that was focused on government information technology needs; and

14 WHEREAS, Microsoft’s response included a customized Enterprise Agreement that
15 was designed to work for all government agencies within the state of California; and

16 WHEREAS, The objective of Riverside’s bid process was to select Microsoft authorized
17 and responsible large account resellers in the State of California; and

18 WHEREAS, The evaluation of responses was conducted by Information Technology
19 Professionals from throughout the State of California; and

20 WHEREAS, The result of that competitive bidding process was a list of large account
21 resellers that could offer the products and pricing required in the County of Riverside’s
22 Enterprise Program; and

23 WHEREAS, The City wanted to piggyback on the County of Riverside’s competitive
24 process and enter into an agreement with a large account reseller who was selected as a
25 reseller under the Riverside Microsoft Enterprise Program with the intent to enter into a three-

1 year contract for Microsoft enterprise software products at discounted rates for all City
2 Departments; and

3 WHEREAS, The Department of Technology (DT) sought and received approval from
4 the Office of Contract Administration to use the County of Riverside's competitive
5 procurement process under Administrative Code, Section 21.16(b); and

6 WHEREAS, The EA products consist of Windows server licenses required to operate
7 various software applications, SharePoint Online, Access Pro, Visio Pro, Project Pro and
8 training credits and technical support credits usable during the agreement term to provide
9 knowledge and expertise to City employees regarding how to use, and to a limited extent,
10 troubleshoot the software programs and applications; and

11 WHEREAS, After the City requested quotes from the previously approved vendors, the
12 City selected En Pointe as the reseller for the Microsoft Products at a discounted rate which
13 terminates on May 31, 2017, and limits the total cost of the agreement to \$9,869,292.95; and

14 WHEREAS, When the City entered into the Agreement in 2014, it tried to estimate the
15 amount that would be necessary to roll out the services and deploy the Microsoft products
16 over the next three years, but the popularity of the products and the growth in demand for the
17 services were much greater than the estimates made by the City when the agreement
18 became effective; and

19 WHEREAS, The City estimates that the money projected to be spent with En Pointe
20 could reach the contract's not-to-exceed amount in the reasonably near future; and

21 WHEREAS, There is only \$63,000 in spending authority left in the EA agreement and
22 the City expects it will need services for a cost of \$4,850,304 the City wishes to execute an
23 amendment to the agreement increasing the maximum amount to \$14,719,597 a copy of the
24 amendment is on file with the Clerk of the Board of Supervisors in File No. 161228; and

25

1 WHEREAS, Charter, Section 9.118, "Contract and Lease Limitations," subsection (b),
2 requires Board of Supervisors approval of any contract estimated to exceed \$10 million in
3 expenditures; now, therefore, be it

4 RESOLVED, That the Board of Supervisors authorizes the Department of Technology
5 and the Office of Contract Administration to execute the First Amendment to the En Pointe EA
6 Products Agreement increasing the maximum guaranteed amount to \$14,719,597
7 substantially in the form of the agreement on file with the Clerk of the Board of Supervisors, in
8 File No. 161228, with such changes or modifications, as may be acceptable to the Director of
9 the Department of Technology and the City Attorney and which do not materially increase the
10 obligations and liabilities of the City; and, be it

11 FURTHER RESOLVED, That upon execution of the Amendment, the Director of the
12 Department of Technology shall transmit to the Clerk of the Board of Supervisors a copy of
13 the Amendment, for inclusion in File No. 161228; and, be it

14 FURTHER RESOLVED, That this resolution shall take effect immediately upon its
15 adoption.