

**Council Meeting: June 14, 2011****SUBJECT: Award of Contract to Provide 2010 MicroSoft Office Licenses for City Wide Upgrade (F1004-106)****BACKGROUND**

Approval is requested for the award of a contract in the amount of \$169,078, to Insight Public Sector of Tempe Arizona, to provide 700 MicroSoft Office 2010 Licenses for a City wide upgrade.

The City purchased MicroSoft Office XP in 2001 and has not upgraded to a newer version to date. Since then, three different versions of MicroSoft Office (2003, 2007 and 2010) have been released with each adding more functions and features. While the 2003 and 2007 releases have been compatible to some extent with Office XP, end user experience has become problematic with files created with newer versions not displaying properly and in some cases not working at all. Mainstream support for MicroSoft Office XP ended in July 2006, after that date XP converted to a limited extended support for a five year period, with all support ending in July 2011. Upgrading to MicroSoft Office 2010 solves this problem and positions the City to seamlessly integrate with our current version of MicroSoft SharePoint, as well as the planned upgrade of SharePoint 2010.

DISCUSSION

Invitation for Bids No. F1004-106 was advertised on the City's Internet site and broadcast to potential suppliers through the Onvia DemandStar public procurement network.

Sealed bids were received and publicly opened on May 11, 2011. Four responsive bids were received.

| <u>Bidder</u> | <u>Total Bid</u> |
|--|-------------------------|
| Insight Public Sector, Tempe AZ | \$169,078 |
| CDW Government LLC, Vernon Hills, IL | \$176,799 |
| HiTeq Computer Systems, Plano TX | \$177,800 |
| Artemis Technology LLC, Santa Clara CA 95054 | \$223,468 |

Staff recommends awarding a contract to the lowest responsive and responsible bidder, Insight Public Sector. The Invitation For Bids requested the software be available for electronic receipt only, which resulted in a savings of \$15,639 in taxes.

FISCAL IMPACT

Total cost to the City will be \$169,078. Funds for the contract are available in the Information Technology Department's Software Replacement Schedule.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

RECOMMENDATION

Award a contract for 700 MicroSoft Office 2010 Licenses in substantially the same form as the attached draft Purchase Order and in the amount of \$169,078, to Insight Public Sector.

Reviewed by:

Grace Leung, Director of Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Cuong Nguyen
Director, Information Technology

Approved by:

Gary M. Luebbers
City Manager

Attachment

Draft Purchase Order



| | | |
|--|--|---|
| ORDERED FROM 08276 - 002 Insight Public Sector Inc 6820 S Harl Ave Tempe AZ 85283 (888) 231-4641 | ORDER DATE 05/13/2011 | BILL TO: City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale, CA 94088-3707 |
| | DELIVERY DATE 06/21/2011 | |
| | PAYMENT TERMS N/30 | |
| | BID NO/RFQ NO | |
| DELIVER TO ITD/Information Technology Services 650 W Olive Ave Sunnyvale CA 94086 Phone: (408) 730-7557 | FOB POINT ELECTRONIC | FREIGHT CHARGES Electronic Delivery |
| | REQ. NO RQ007968 | REQUISITIONER: KHARTZMAN |
| | CHARGE/OBJ CODE(S): 021601 5055 \$169,078.00 | |

| ITEM | DESCRIPTION | QTY | UNIT | UNIT COST | TOTAL |
|------|--|-----------|------|-----------|--------------|
| 1 | Provide volume licenses for Microsoft Office 2010 for the City of Sunnyvale Information Technology Department per Invitation For Bids F1004-106 specifications, terms and conditions and bidders response. MS Office 2010 Standard version without Software Assurance - 700 licenses DELIVERY SHALL BE ELECTRONIC ONLY. The City of Sunnyvale is enrolled in the Microsoft Select State of California Master Agreement SLP-07-70-008D, enrollment 7495096. Awarded by City Council 6/14/2011, RTC# _____ | 169078.00 | DLR | \$1.0000 | \$169,078.00 |

TOTAL \$169,078.00

BUYER:

Howard, Dreama

PHONE (408) 730-7396

FAX (408) 730-7710