



Agenda Item # \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Aldinger and Members of the City Council

**THROUGH:** Geoff Dolan, City Manager

**FROM:** Bruce Moe, Finance Director  
Leilani Emnace, Information Systems Manager  
Gwen Eng, General Services Manager

**DATE:** October 2, 2007

**SUBJECT:** Approval of Contract Modification with CompuCom Systems for Microsoft Enterprise Agreement Software Licensing in the Amount of \$38,025

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### **RECOMMENDATION:**

Staff recommends that the City Council approve a modification to the existing contract with CompuCom Systems for Microsoft Enterprise Agreement Software Licensing in the amount of \$38,025.

### **FISCAL IMPLICATION:**

The original three-year contract amount approved by the City Council with CompuCom for Microsoft software licensing was \$131,543. Through the first two years, payments totaling \$89,237 have been made. Because of the growth in the number of workstations now employed by the City, additional licenses beyond the number originally budgeted for two years ago are required. As a result, the remaining balance of the original contract, \$42,306, is not sufficient to cover the total amount due for the final year of the contract (\$80,331). As a result, staff recommends that the contract with CompuCom be modified by increasing the total value to \$169,568. Sufficient funds are available in the FY 2007-2008 budget, so an appropriation is not necessary to fund this request.

### **BACKGROUND:**

City Council approved a three-year contract with Microsoft Corporation on June 21, 2005 for the Enterprise Wide Software Licensing Agreement through the reseller, CompuCom Systems, in the total amount of \$131,543. CompuCom Systems was awarded the California County Enterprise Agreement by the County of Riverside through a competitive RFP and the Agreement gives public agencies discounted pricing for Microsoft licenses.

### **DISCUSSION:**

The original approved amount is not adequate to complete the final year of the contract. The addition of 57 new licenses during the second year of the contract increased the total cost of the licenses to \$80,331. This increase was primarily due to new workstations being added for the

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Public Safety facility.

Staff recommends that the City Council approve a modification to the contract with CompuCom Systems for Microsoft Enterprise Agreement Software Licensing for the additional amount of \$38,025, for a new three-year final contract amount of \$169,568.