



budget process. The contract can be canceled on either of the two contract anniversary dates (the start of either year two, or year three).

**Policies, Plans and Goals Supported:**

*Council Goals:*

2. *Promote effective citizen communication and engagement*

**Background and Additional Information:**

Three years ago, after conducting a cost comparison with the previous licensing approach, the City moved to the Microsoft license-as-a-subscription model, replaced its outmoded stand-alone email system, added collaboration applications, and installed current, consistent versions of desktop personal productivity software. The results of that decision have been a considerable decline in Microsoft Office technical support calls to IT, which correlates with improved employee productivity, a dramatic reduction in unwanted/malicious email, the elimination of in-house email server maintenance, less email down-time, and improved compatibility with other agencies.

**Alternatives:**

Microsoft makes a compelling business case for the migration of services *to* their current suite of subscription- and cloud-based licensing, by incentivizing their pricing models, and using cloud-hosted email to eliminate server maintenance workload from IT support staff.

That leaves the alternative, migrating an organization and its data *off of* Microsoft's recommended license model, a substantial and time consuming process. If that direction were warranted, the IT Department could develop plans and identify resource requirements to do so. However, the direction of the Information Systems Division places the City on a trajectory that recognizes the value of staying current with mainstream software tools, identifying holistic business efficiencies by looking beyond short-term costs to evaluate the overall business proposition for leveraging technology to improve organizational efficiencies.

The requested licenses provide access to the organization's most important and heavily-used suite of employee productivity tools: Microsoft Exchange email, Word, Excel, and PowerPoint, as well as other collaborative and cloud services. The O365 licenses provide the City with current and future updates/releases, for the duration of the contract. The deployment of modern productivity applications and standardized personal desktop productivity tools supports the mission of City and the IT Department by enhancing personal productivity and efficiency for all employees, across all city operations.

The purchase is from a Microsoft certified provider, SHI Inc. The purchase is through the Oregon Procurement Information Network (ORPIN) contract award system as provided for in AMC 2.50.090(I)(1). The total contract value over the three-year term exceeds one-hundred thousand dollars and therefore requires Council approval per AMC 2.50 070(A)(1).

Software licenses and maintenance are proprietary, and in accordance with AMC 2.50.090(I)(2), which are exempt from competitive bidding requirements. This is analogous to a contract amendment as it is a continuation of a previous maintenance contract.

**Attachments:**

- 1) Pricing/Purchase quote from SHI, Inc, a Microsoft certified provider



Pricing Proposal  
 Quotation #: 15091280  
 Created On: 3/28/2018  
 Valid Until: 6/29/2018

## City of Ashland

## Inside Account Manager

### Pat Hopkins

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All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 O365GCCE1 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: U4S-00002 Contract Name: NASPO ValuePoint - Software VAR Contract #: ADSPO16-130651 Subcontract #: 6454 Coverage Term: 5/1/2018 – 4/30/2019 <b>Note:</b> Year 1 of 3	102	\$70.85	\$7,226.70
2 O365GCCE3 ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: AAA-11894 Contract Name: NASPO ValuePoint - Software VAR Contract #: ADSPO16-130651 Subcontract #: 6454 Coverage Term: 5/1/2018 – 4/30/2019 <b>Note:</b> Year 1 of 3	186	\$200.38	\$37,270.68
3 VisioOnInP2GCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: P3U-00001 Contract Name: NASPO ValuePoint - Software VAR Contract #: ADSPO16-130651 Subcontract #: 6454 Coverage Term: 5/1/2018 – 4/30/2019 <b>Note:</b> Year 1 of 3	11	\$131.48	\$1,446.28
4 ExchgOnInP1GCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: 3MS-00001 Contract Name: NASPO ValuePoint - Software VAR Contract #: ADSPO16-130651 Subcontract #: 6454 Coverage Term: 5/1/2018 – 4/30/2019 <b>Note:</b> Year 1 of 3	40	\$34.03	\$1,361.20
5 ProjOnInProfGCC ShrdSvr ALNG SubsVL MVL PerUsr Microsoft - Part#: 7MS-00001 Contract Name: NASPO ValuePoint - Software VAR Contract #: ADSPO16-130651 Subcontract #: 6454 Coverage Term: 5/1/2018 – 4/30/2019 <b>Note:</b> Year 1 of 3	11	\$257.50	\$2,832.50

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Subtotal	\$50,137.36
Shipping	\$0.00
*Tax	\$0.00
Total	\$50,137.36

\*Tax is estimated. Invoice will include the full and final tax due.

### Additional Comments

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Pricing and purchase is per PA 6454. Pricing above reflects the first of three equal and annual payments. Purchase of this quote is a commitment to all three payments.

If you have questions about this quote, you can reach me directly at 503-510-4813.

You can purchase this quote by emailing your purchase order to the team at [TeamOregon@shi.com](mailto:TeamOregon@shi.com).

Remit-Only Address: SHI, PO Box 952121, Dallas, TX 75395-2121

Tax ID: 22-3009648

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*The Products offered under this proposal are subject to the SHI Return Policy posted at [www.shi.com/returnpolicy](http://www.shi.com/returnpolicy), unless there is an existing agreement between SHI and the Customer.*