

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Ben Berry, Chief Technology Officer		2. Telephone No. 823.4219	3. Bureau/Office/Dept. Bureau of Technology Services
4a. To be filed (hearing date): 10/30/13	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/> </div>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: 10/11/13
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title:

*Authorize an agreement with Dell Marketing LLP to purchase Microsoft Office 365 licenses and related hardware and software for a not to exceed amount of \$3,750,000 for a five year period (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose of the proposed legislation is to authorize an agreement with Dell Marketing LLP to purchase Microsoft Office 365 licenses and related hardware and software for a not to exceed amount of \$3,750,000 for a five year period.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT**4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

This legislation will not generate any direct revenue for the City.

5) Expense: What are the costs to the City as a result of this legislation? What is the source

of funding for the expense?

Expenses associated with this agreement are estimated not to exceed an amount of \$3,750,000 for a five year period. Funding will be provided by bureaus that subscribe to the Microsoft Office 365 service.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

There are no current year position changes resulting from this legislation.

- **Will positions be created or eliminated in future years as a result of this legislation?**

There are no future year position changes resulting from this legislation.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

No change in appropriation is required.

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

186311

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ **YES:** Please proceed to Question #9.

☒ **NO:** Please, explain why below; and proceed to Question #10.

This applies only to internal BTS processes and does not impact the public.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

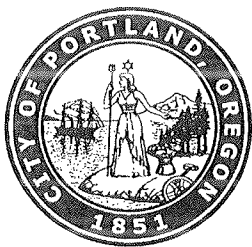
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is anticipated or necessary for this Council item.

Carol Brune

APPROPRIATION UNIT HEAD (Typed name and signature)

Carol Brune, Deputy for Ben Bury



CITY OF PORTLAND 186311

OFFICE OF MANAGEMENT AND FINANCE

Charlie Hales, Mayor
Jack D. Graham, Chief Administrative Officer
Bryant Enge, Director, Bureau of Internal Business Services

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Chief Procurement Officer
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**FOR MAYOR'S OFFICE USE
ONLY**

Reviewed by Bureau Liaison _____

DATE: October 17, 2013
TO: Mayor Charlie Hales
FROM: Christine Moody, Chief Procurement Officer *CM*
RE: *Authorize an agreement with Dell Marketing LLP to purchase Microsoft Office 365 licenses and related hardware and software for a not to exceed amount of \$3,750,000 for a five year period (Ordinance)

1. **INTENDED THURSDAY FILING DATE:** October 17, 2013
2. **REQUESTED COUNCIL AGENDA DATE:** October 30, 2012
3. **CONTACT NAME & NUMBER:** Christine Moody x3-1095
4. **PLACE ON:** ☒ **CONSENT** ☐ **REGULAR**
5. **BUDGET IMPACT STATEMENT ATTACHED:** ☒ **Yes** ☐ **No** ☐ **N/A**
6. **ONE (1) ORIGINAL OF CONTRACT "APPROVED AS TO FORM" BY CITY ATTORNEY ATTACHED:** ☐ **Yes** ☐ **No** ☒ **N/A**

7. BACKGROUND/ANALYSIS:

The Office of Management and Finance, Bureau of Technology Services (BTS) is responsible for the deployment and upkeep of the City's email system and workstation productivity software. To this end, BTS has established Microsoft Outlook and the Microsoft Office productivity suite as the standards for City workstations, and manages the periodic updates of these systems. The City is currently using the Microsoft Office 2003 productivity suite that is nearing end of life in addition to an aging email system.

This project will transition the on-premise email system to Microsoft's Online Services (Office 365) for all of the City of Portland staff currently using Microsoft's on-premise Exchange service. This transition includes migrating e-mail and calendaring data to the Office 365 software as a service, as well as upgrading the client side Office productivity suite to Office 2013. The not to exceed amount includes approximately \$3,300,000 for Microsoft Office 365 licenses, and \$115,000 for related hardware and software. A 10% project contingency has been included.

In accordance with City Code 5.33.160, the City may participate in Permissive Cooperative Procurements to establish contracts or price agreements for the acquisition of goods or services. On October 8, 2013, in accordance with PCC 5.33.160, the City posted a Notice of Intent to Award a Contract using a Permissive Cooperative Procurement to Dell Marketing LP. One comment was received and responded to by the CPO.

Legal issues – The Portland Police Bureau and the City Attorney's Office have heightened legal requirements for placing data in a hosted environment. The project team is evaluating when and if these groups will be transitioned to Office 365, and working with Microsoft to address these considerations.

Controversial issues – none known

An Equal Opportunity Employer

To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

Citizen participation – none

Link to current city policies – none

Other governmental participation – none

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8. FINANCIAL IMPACT:

Expenses associated with this agreement are estimated not to exceed an amount of \$3,750,000 for a five year period. Funding will be provided by bureaus that subscribe to the Microsoft Office 365 service. This legislation will not generate any direct revenue for the City.

9. RECOMMENDATION/ACTION REQUESTED:

Authorize an agreement with Dell Marketing LLP to purchase Microsoft Office 365 licenses and related hardware and software for a not to exceed amount of \$3,750,000 for a five year period.