

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

CITY CLERK DEPT.
08 APR -3 4:11:49

DEPARTMENT: INFORMATION TECHNOLOGY

AGENDA DATE: APRIL 8, 2008

CONTACT PERSON/PHONE: GERALD GORDIER (915) 541-4288

DISTRICT(S) AFFECTED: ALL

SUBJECT:

Request that the Purchasing Manager, Financial Services, be authorized to issue a Purchase Order to Momentumcom dba Solid Border, a Department of Information Resources (DIR) contractor under DIR State Contract DIR-SID-255 for the licensing and maintenance of IronPort Software which is the spam and virus blocking software currently used by the City for inbound email security.

BACKGROUND / DISCUSSION:

For the last few years, the City has been using a software system called IronPort to block spam and virus infected email. This purchase order will enable license and maintenance support for the software system for a 3-year period. Acquiring these services for a three year period represents a savings of \$26,970 over single year contracts, and gives us the assurance of ongoing support without interruption. Last year, this system blocked over 120-million spam and virus laden inbound email. IronPort was acquired by Cisco Systems in 2008 and Solid Border is an authorized service company of this system. This purchase will provide coverage until May 29, 2010.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

NO

AMOUNT AND SOURCE OF FUNDING:

\$42,555.88 per year for three years (\$122,655.00 total). Funding is available in FY08 Information Technology General Fund: 502202-01101-39010351 (Data Processing Services Contracts).

BOARD / COMMISSION ACTION: Enter appropriate comments or N/A

NA/

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: _____

DATE: _____

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES

CONTRACT FOR PRODUCTS AND RELATED SERVICES

MOMENTUMCOM DBA SOLID BORDER

CITY CLERK DEPT.
03 APR - 3 4:11:49

1. Introduction

A. Parties

This Contract for products and related services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter "DIR") with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and *Momentumcom dba Solid Border* (hereinafter "Vendor"), with its principal place of business at 1806 Turnmill, San Antonio, TX 78248.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Texas Building and Procurement Commission's Electronic State Business Daily, Request for Offer (RFO) DIR-SDD-TMP-069, on September 21, 2005, for Software Products. Upon execution of this Contract, a notice of award for RFO DIR-SDD-TMP-069 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

This Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor's Historically Underutilized Businesses Subcontracting Plan; Appendix C, Service Agreement; Vendor's Response to RFO DIR-SDD-TMP-069, including all addenda; and RFO DIR-SDD-TMP-069, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor. In the event of a conflict between the documents listed in this paragraph, the controlling document shall be this Contract, then Appendix A, then Appendix B, and finally Appendix C. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The term of this Contract shall be one (1) year commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to three (3) optional one-year terms.

Vendor Contract No. _____

3. Product and Service Offerings

A. Products

Products available under this Contract are limited to Barracuda Networks and Network General Software Products. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above.

B. Services

Services available under this Contract are limited to installation, support services, warranty, product maintenance, and product training. Vendor may incorporate changes to their service offering; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above. Telephone installation is defined as a verbal walk-through installation of software and best-practice configuration, personalized for a customer's environment. This installation is performed by a Vendor engineer who has been trained and certified to install the products for the manufacturer.

4. Pricing

A. Manufacturer's Suggested Retail Price (MSRP)

MSRP is defined as the product sales price suggested by the manufacturer or publisher of a product.

B. Customer Discount

The minimum Customer discount for all products and services will be the percentage off MSRP as specified below.

Customer Discount includes the DIR administrative Fee specified in Section 5.

Software Products	Customer Discount
Barracuda Networks	14.00% - 16.00%
Network General	13.00%
Services for Software products	Customer Discount
Onsite Installation	10.00%
Telephone Installation	100.00%
Network General Support	0.00%
Barracuda Networks Support	14.00%

C. Customer Price

1) The price to the Customer shall be calculated as follows:

$$Customer Price = MSRP - Customer Discount$$

CITY CLERK DEPT.
08 APR -3 AM 11:49

Vendor Contract No. _____

2) Customers purchasing products and services under this Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

3) If pricing for products or services available under this Contract are provided at a lower price to: (i) an eligible Customer who is not purchasing those products or services under this Contract or (ii) any other entity or consortia authorized by Texas law to sell said products and services to eligible Customers, then the available Customer Price in this Contract shall be adjusted to that lower price. This Contract shall be amended within ten (10) business days to reflect the lower price.

D. DIR Administrative Fee

The administrative fee specified in Section 5 below shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

E. Shipping and Handling Fees

The price to the Customer under this Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited delivery, Customer will be responsible for any charges for expedited delivery.

F. Tax-Exempt

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

G. Travel Expense Reimbursement

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized by the current State Travel Regulations. Travel time may not be included as part of the amounts payable by Customer for any services rendered under this Contract. The DIR administrative fee specified in Section 5 below is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

H. Changes to Prices

Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract. Price decreases shall take effect automatically during the term of this Contract and shall be passed onto the Customer immediately.

CITY CLERK DEPT.
09 APR -3 AM 11:49

Vendor Contract No. _____

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is two percent (2%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$2,000.

B) All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor. Any change in the administrative fee shall be incorporated in the price to the Customer.

6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Sherri Parks, Service Delivery Division
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-4700
Facsimile: (512) 475-4759
Email: sherri.parks@dir.state.tx.us

If sent to the Vendor:

Kaye del Barrio
Momentumcom dba Solid Border
1806 Turnmill
San Antonio, TX 78248
Phone: (210) 492-8125
Facsimile: (800) 887-9974
Email: kaye@solidborder.com

7. Software License and Service Agreements

A. Shrink/Click-wrap License Agreement

Regardless of any other provision or other license terms which may be issued by Vendor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of a Purchase Order for products licensed under this Contract, or the fact that such other agreement may be affixed to or accompany software upon delivery (shrink-wrap), the terms and conditions set forth in this Contract shall supersede and govern the license terms between Customers and Vendor.

B. Service Agreement

Services provided under this Contract shall be in accordance with the Service Agreement as set forth in Appendix C of this Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Vendor and DIR.

8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.

CITY CLERK DEPT.
09 APR - 3 AM 11:49

Vendor Contract No. _____

No exceptions.

This Contract is executed to be effective as of the date of last signature.

Momentumcom dba Solid Border

The State of Texas, acting by and through the
Department of Information Resources

Authorized By: _____

Authorized By: _____

Name: Kaye del Barrio

Name: Brian S. Rawson

Title: CEO

Title: Director of Service Delivery

Date: _____

Date: _____

Legal: _____

CITY CLERK DEPT.
09 APR -3 4:11:49