

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

**DEPARTMENT:** Information Technology

**AGENDA DATE:** May 1, 2007

**CONTACT PERSON/PHONE:** Gerald Gordier (541-4288) , Terrence Freiburg, 541-4313

**DISTRICT(S) AFFECTED:** Citywide

**SUBJECT:**

Request that the Purchasing Manager, Financial Services, Purchasing Division be authorized to issue a Purchase Order to SHI-Government Solution, a Department of Information Resources (DIR) contractor under DIR State Contract DIR-VPC-03-008 for Micosoft software. Participation by the City of El Paso in the DIR Program was approved by Mayor and Council on March 6, 2007.

**BACKGROUND / DISCUSSION:**

Participation by the City of El Paso in the DIR Program was approved on March 6, 2007 and the city adopted the Microsoft Enterprise Agreement for fiscal year 2004 thru 2007 as a three-year contract.

**PRIOR COUNCIL ACTION:**

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

Yes, this contract was initially approved to participate in the DIR/Microsoft contract. This is the third year of the three-year contract. This currently is the last year of the current contract.

**AMOUNT AND SOURCE OF FUNDING:**

**How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?**

Funds are available in FY07 General Fund - Information Services Account: 39010351-01101-502202

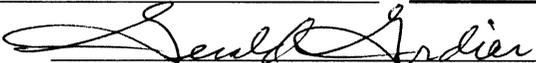
**BOARD / COMMISSION ACTION:**

**Enter appropriate comments or N/A**

N/A

\*\*\*\*\*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

SHI Government Solutions

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 15<sup>th</sup> Street, Suite 1300, Austin, Texas 78701, and SHI Government Solutions, Inc. (hereinafter "Vendor"), with its principal place of business at 1250 Capital of Texas Highway, Suite 1-350, Austin, Texas 78746.

**B. Compliance with Procurement Laws**

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a posting on the Texas Building and Procurement Commission's Electronic State Business Daily, posting number DIR-BUSOP-TMP-050, on October 21, 2004, for Named Software Reseller.

**C. Order of Precedence**

This Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; and Appendix B, Vendor's Historically Underutilized Businesses Subcontracting Plan 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, and finally Appendix B.

2. **Product and Service Offerings**

**A. Products**

Products available under this Contract are limited to Adobe Education Software, Adobe Government Software, Computer Associates Software, IBM Lotus Software, Macromedia Software, Novell Software, Symantec Software and Wall Data (NetManage) Software. 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 any value-added service as established in DIR's Agreements with the named Publishers that Vendor may pass through to the Publisher for performance as related to the products listed in Section 2.A. 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.

Vendor Contract No. \_\_\_\_\_

**3. Customer Discount and Vendor Margins**

**A. Customer Discounts**

The Customer discount to be used in the calculation of the Customer Price as specified in Section 7 of Appendix A is set forth as follows:

All discounts to the Customer for products and services included in Section 2 of this Contract shall be: i) the discount established in the Agreement between DIR and Publishers, or ii) the percentage discount off then-current list prices from the Publishers based on Vendor's corporate volume from distribution sources, whichever is greater.

**B. Vendor Margins**

Vendor Margins to be added to the Vendor's Cost for products or services included Section 2 of this Contract, whether government or education, shall not exceed two percent (2%).

**4. DIR Administrative Fee**

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 shall be as follows:

Product	Administrative Fee	For example, the administrative fee for sales totaling \$100,000 shall be:
Adobe Education Software	½% or 0.5%	\$500
Adobe Government Software	2%	\$2,000
Computer Associates Software	2%	\$2,000
IBM Lotus Education Software	½% or 0.5%	\$500
IBM Lotus Government Software	2%	\$2,000
Macromedia Education Software	½% or 0.5%	\$500
Macromedia Government Software	2%	\$2,000
Novell Education Software	½% or 0.5%	\$500
Novell Government Software	2%	\$2,000
Symantec Education Software	½% or 0.5%	\$500
Symantec Government Software	2%	\$2,000
Netmanage Government Software	2%	\$2,000

**5. 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. 15<sup>th</sup> St., Suite 1300  
 Austin, Texas 78701  
 Phone: (512) 475-4700  
 Facsimile: (512) 475-4759  
 Email: [sherri.parks@dir.state.tx.us](mailto:sherri.parks@dir.state.tx.us)

If sent to the Vendor:

Darron Gross or Susan Parken  
 SHI Government Solutions, Inc.  
 1250 Capital of Texas Highway, Suite 1-350  
 Austin, Texas 78746  
 Phone: (512) 634-8100  
 Facsimile: (512) 732-0232  
 Email: [darron\\_gross@gs.shi.com](mailto:darron_gross@gs.shi.com) or  
[susan\\_parken@gs.shi.com](mailto:susan_parken@gs.shi.com)

Vendor Contract No. \_\_\_\_\_

**6. Authorized Exceptions to Terms and Conditions.**

- A. Vendor is not utilizing designated Order Fulfillers to provide service, sales, and support resources to Customers. All references in Appendix A to "Order Fulfiler" or "Order Fulfillers" shall mean "Vendor". Should Vendor desire to utilize designated Order Fulfillers, an amendment shall be made to this Contract in accordance with Subsection 5.B of Appendix A.
- B. Upon execution of this Contract, Vendor shall no longer sell any product available under this Contract through Contract 313-001A.
- C. The following language is added to Section 8, Contract Fulfillment and Promotion, E. Internet Access to Contract and Pricing Information, 1) Vendor Website: "Vendor must provide a non-password protected, State of Texas specific website with 24-7 access to a current price list and product information. Website should be searchable by product name, product description and part number."
- D. The following language is added to Section 11, Contract Administration, A. Contract Administrators, 2) Vendor Contract Administrator: "The Contract Administrator shall have the ability to resolve issues, be accessible to DIR and provide proactive consultation to DIR about emerging opportunities and contracting vehicles to assist DIR and Customers to ensure the best relationship between DIR and Publishers for products and services named in Section 2 of this Contract".
- E. The following language is added to Section 11, Contract Administration, B. Reporting and Administrative Fees, 1) Reporting Responsibility, new subsection c): "Vendor shall provide customized reporting, above and beyond the reporting requirement mandated in Section 11B of Appendix A to the Contract, for all contract related sales to DIR and customers, at no charge, in any format requested by the Customer as frequently as DIR and/or the Customer requests".

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

**SHI Government Solutions, Inc.**

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

**Authorized By: *signature on file***

**Authorized By: *signature on file***

**Name: Darron Gross**

**Name: Larry Zeplin**

**Title: Acct. Executive**

**Title: Assistant Director, Service Delivery**

**Date: 5/23/05**

**Date: 5/17/05**

**Legal: CJHK 05-17-05**