



## Office of Management and Budget

Santa Rosa Administrative Offices  
6495 Caroline Street, Suite L  
Milton, Florida 32570

Jayne Bell, Director



### MEMORANDUM

TO: Santa Rosa County Board of County Commissioners

FROM: Jayne Bell, Budget Director

THROUGH: Tony Gomillion, County Administrator

SUBJECT: Exchange/Email Server Upgrade and SQL Upgrades

DATE: June 2, 2016

#### **RECOMMENDATION**

Request that the Board approve the purchase of Microsoft Office 365, Exchange/Email server software from Lift-Off (\$55,194), LLC and SQL server from SHI (\$35,663) for a total cost of \$90,857. Lift-Off was based on comparison shopping and SHI is a State of Florida Microsoft select agreement contract. The funds are available in the 0120 BOCC Computer Support Budget.

#### **BACKGROUND**

Microsoft is encouraging organizations to switch to Cloud subscription services in an effort to eliminate the numerous versions of software and the associated maintenance costs. For example, in 2017, Microsoft will be discontinuing support for Office 2007 which would affect some of our county employees. The Government Cloud will keep the county on the latest version ("evergreen") of software which will increase productivity and efficiencies by allowing those employees assigned an Office 365 license to install the software on up to 5 pc's, 5 tablets and phones.

## BUDGET MODIFICATION RESOLUTION

No.

*Whereas, the Board of County Commissioners has determined that a need exists to amend the budget pursuant to Florida Statute 129.06. NOW, THEREFORE, The Board of County Commissioners of Santa Rosa County, Florida does make the following budget amendments:*

REQUESTER ACTION

DATE: June 2, 2016

FROM: **General Fund**  
TO: Board of County Commissioners  
VIA: Budget Director  
SUBJ: Request Approval of the following

ADDITION:  
MODIFICATION: X  
DELETION:  
OVERDRAFT:

	<u>Line Item Number</u>	<u>Description</u>	<u>Amount</u>
<b>From:</b>	<b>0120 – 51210</b>	<b>Regular Salaries</b>	<b>(\$ 25,856)</b>
	<b>0120 – 568001</b>	<b>Intangible Assets</b>	<b>\$ 25,856</b>

**State reason for this request:**

To fund the countywide cloud subscription services by upgrading to Office 365, the Exchange/Email Server and SQL( Structured Query Language) Server.

**Requested by: Aleta Floyd /s/**

BUDGET DIRECTOR ACTION

DOCUMENT NO. **2016-150**

Budget Updated: \_\_\_\_\_ Allowed: \_\_\_\_\_ Forwarded: \_\_\_\_\_ Returned: \_\_\_\_\_

Comment: \_\_\_\_\_

BUDGET DIRECTOR

BUDGET COMMITTEE ACTION

DATE: June 6, 2016

Approved: \_\_\_\_\_ Hold: \_\_\_\_\_ Withdrawn: \_\_\_\_\_ Comment: \_\_\_\_\_

***PASSED AND ADOPTED by the Board of County Commissioners of Santa Rosa County, Florida on this 9<sup>th</sup> day of June, 2016.***

ATTESTED:

\_\_\_\_\_  
CHAIRMAN

\_\_\_\_\_  
CLERK OF THE COURTS



# SANTA ROSA COUNTY INFORMATION TECHNOLOGY/GIS

ALETA FLOYD  
IT Director  
aletaf@santarosa.fl.gov

6495 Caroline Street, Suite L | Milton, Florida 32570

Date: June 1, 2016  
TO: Tony Gomillion, Jayne Bell  
FROM: Aleta Floyd  
SUBJECT: Countywide upgrade to Office365, Exchange/Email Server Upgrade, SQL upgrades

Due to Microsoft's major push to cloud subscription services as opposed to organizations hosting on premise software services, we find it in the best interest to change directions and expand upon our original FY16 budget request of upgrading the county's email Exchange system. Major changes have occurred in the IT office productivity world, and now is the perfect time to invest and utilize the benefits of cloud services that will increase efficiencies with the employees that use Microsoft Office software to perform daily tasks.

We had originally budgeted to upgrade the County's Exchange software from Exchange 2007 to latest version on a local server. But if we proceed with status quo and just upgrade this email server we still have the issues of county employees on different versions of Office, including Office 2007 which will reach end of support life in 2017. By expanding the vision and looking at the big picture of how we can move the SRC digital workforce to be able to use "evergreen" (latest version) office software coupled with the cloud benefits of being able to access files and folders remotely, and utilizing group cloud collaboration with tools such as SharePoint, and office365 groups we are recommending instead of an on premise email server to start the transition over to Exchange and office365 in the Cloud in order to make the best investment into the future. We are also experiencing the trend of employees needing multiple copies of Office software since many are using multiple devices, not only a desktop pc but tablets for mobility, and smartphones. An office license is required for each device. With our proposal each employee assigned an office 365 license will be able to install Office software on up to 5 pc's, 5 tablets, and 5 phones.

Microsoft has a very limited number of vendors that are vetted and qualified to quote pricing for the Secure Government Cloud. Attached is a quote from Lift-Off for \$55,193.40 for the Exchange/Email in the Cloud and office365 licenses. Recommend this purchase based on comparison shopping. Note pricing only varies by a very small amount per vendor since Microsoft pricing is the same for all. The difference is determined by a \$15 per user bonus for free services via a Microsoft promotion. We will be receiving \$6000 in free services to help set up the county's new Cloud SharePoint services. The vendor selected for these services is a Florida company, ISC, who recently worked with Bay County with their cloud migration. (attachment).

In addition to the office365 request, we also had to upgrade our SQL servers to latest version due to version incompatibilities that was causing database lockups and data transfer issues. Attached is the quote for \$35,662.50 for eight /2core sql licenses and a requirement of 125 server Client access licenses from SHI utilizing our existing State of Florida Select Agreement. Please note these requests are on behalf of all county depts to ensure license compliance as follows: Animal Services(20), Adm Services(3), County Attorney(3), BOCC(8), Building Maintenance(4), Budget(3), County Extension(15), Blackwater&Soil(4), Clerk Support(1), County Administrator(3), e911(3), Emergency Communications(8), Emergency Management(7), EOC(40), Engineering(14), Environmental (17), HR&Risk Mgmt(6), IT/GIS(20), Libraries(20), Navarre Beach (4), Grants (2), Dev Services (30), PIO(4), Public Works (27),SOE(7), EDO(5), TDO(4), Vet Services& Plaza (6), Master Copier(1), Zoning Board(10), Misc 10.

**The cost for both requests is \$90,856.00 and the funds are available within the 0120 budget.**

Due to the complexity of this request, we are available to answer any additional questions. Thank you.



Pricing Proposal  
 Quotation #: 11648304  
 Created On: 5/31/2016  
 Valid Until: 6/30/2016

**Santa Rosa County FL**

**Inside Account Manager**

**Aleta Floyd**

6495 Caroline ST  
 Suite L  
 Milton, FL 32570  
 UNITED STATES  
 Phone: (850) 983-1841  
 Fax:  
 Email: AletaF@santarosa.fl.gov

**Shaina Chinchilla**

290 Davidson Avenue  
 Somerset, NJ 08873  
 Phone: 800-543-0432  
 Fax: 732-868-6055  
 Email: Shaina\_Chinchilla@shi.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 Microsoft SQL Server Standard Core Edition - License & software assurance - 2 cores - Select, Select Plus - Win - Single Language Microsoft - Part#: 7NQ-00300 Coverage Term: - 5/31/2017	8	\$1,238.17	\$9,905.36
2 Microsoft SQL Server Standard Core Edition - License & software assurance - 2 cores - Select, Select Plus - Win - Single Language Microsoft - Part#: 7NQ-00300 Coverage Term: 6/1/2017 - 5/31/2018	8	\$1,284.04	\$10,272.32
3 Microsoft SQL Server Standard Core Edition - License & software assurance - 2 cores - Select, Select Plus - Win - Single Language Microsoft - Part#: 7NQ-00300 Coverage Term: 6/1/2018 - 5/31/2019	8	\$1,284.04	\$10,272.32
4 Microsoft Windows Server - License & software assurance - 1 user CAL - Select, Select Plus - Single Language Microsoft - Part#: R18-00130 Coverage Term: - 5/31/2019	125	\$41.70	\$5,212.50
		Shipping	\$0.00
		Total	\$35,662.50

**Additional Comments**

Select Plus Enrollment # AECAC99A (Santa Rosa County BOCC Computer Dept)

To process your order, you can e-mail your request to [floridateam@shi.com](mailto:floridateam@shi.com). You can also fax it to 732-868-6055. Please include a contact e-mail address on all orders, as this is required by most vendors.

SHI Fed ID# 22-3009648

SHI is a Certified Minority (Asian-Pacific) Large Account Reseller, specializing in the sale and distribution of government priced software and hardware...including, but not limited to- Microsoft, Symantec, Adobe, Trend Micro, Citrix, Nuance, McAfee, LANDesk, Intel, Cisco, HP, IBM, VMware and more.



## QUOTE

as of 5/24/2016

**Bill to:**

Santa Rosa County, FL  
6495 Caroline St, Suite L  
Milton, FL 32570

**Ship to:**

Santa Rosa County, FL  
6495 Caroline St, Suite L  
Milton, FL 32570

**Reseller (Remit To):**

LiftOff LLC  
Attn: Ron Braatz  
1667 Patrice Circle  
Crofton, MD 21114

**Terms:**

Due on Receipt

**Payment Options:**

Check

**Quote Description**

G SKU Item Name	Part Number	Term in Months	Price/User/Month	Licenses	Cost/Year
Office 365 Plan G3	AAA-11894	12	17.00	100	\$20,400.00
Enterprise Mobility Suite	AAA-11233	12	7.39	205	\$18,179.40
Office 365 Plan G1	U4S-00002	12	6.00	105	\$7,560.00
Office 365 Plan K1	3KS-00001	12	3.00	90	\$3,240.00
Exchange Online Kiosk	3PS-00001	12	1.50	27	\$486.00
ExchangeOnlineArchiving	4ES-00001	12	2.00	222	\$5,328.00

**Total: \$55,193.40**

**Pricing Information:**

- **Add-on purchases can be made throughout the year with a minimum purchase of 5 units.**
- All prices are displayed in United States Dollars.
- Product and pricing data are updated frequently and may change without notice.
- Pricing valid for 14 days
- License orders are paid up front, are non-refundable, and are one-year licenses that renew each year.
- License reductions, upgrades, or cancellations may only occur at the annual renewal date.

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In order to proceed, send a Purchase Order to [rbraatz@liftoffonline.com](mailto:rbraatz@liftoffonline.com). Once we have the Purchase Order, we will immediately send an invoice. Once we receive payment, we will place the order.

## Customer Terms for Cloud Services Agreement US Public Sector

This agreement is between **LiftOff LLC** (“we”, “us”, and “our”) and **Santa Rosa County, FL** (“you” and “your”). It is effective when we accept it. Key terms are defined in 8.

### ***1. General.***

**Right to use.** You may access and use Office 365, and install and use a Client (if any) included with your Subscription, only as described in this agreement. All other rights are reserved.

**Acceptable use.** You will use Office 365 only per the AUP. You will not use Office 365 in any way that infringes a third party’s patent, copyright, or trademark or misappropriates its trade secret. You may not reverse engineer, decompile, work around technical limits in, or disassemble Office 365, except if applicable law permits despite this limit. You may not rent, lease, lend, resell, transfer, or host Office 365 to or for third parties.

**Compliance.** You will comply with all laws and regulations applicable to your use of Office 365. In providing Office 365, we and our Providers will comply with all laws and regulations (including applicable security breach notification law) that generally apply to IT service providers. You will obtain any consents required: (1) to allow you to access, monitor, use, and disclose user data; and (2) for us to provide Office 365. If you are an educational institution, you will obtain any parental consent for end users’ use of Office 365 as required by applicable law.

**Customer Data.** Customer Data is used only to provide you Office 365. This use may include troubleshooting to prevent, find and fix problems with Office 365’s operation. It may also include improving features for finding and protecting against threats to users. Neither we nor our Providers will derive information from Customer Data for any advertising or other commercial purposes. We will enable you to keep Customer Data separate from consumer services. Customer Data will not be disclosed unless required by law or allowed by this agreement. Your contact information may be provided so that a requestor can contact you. If law requires disclosure, we will use commercially reasonable efforts to notify you, if permitted. Customer Data may be transferred to, and stored and processed in, any country we or our Providers maintain facilities, unless you provision your tenant in the United States. If you do, Microsoft will provide Office 365 from data centers in the United States, and storage of the following customer data at rest will be located in data centers only in the United States: (i) Exchange Online mailbox content (e-mail body, calendar entries, and the content of e-mail attachments), and (ii) SharePoint Online site content and the files stored within that site.

**Changes.** Office 365 may be changed periodically, after which you may need to agree to new terms. You may be required to run a client software upgrade on devices using Office 365 after a change to maintain full functionality.

**Use rights.** Use rights specific to Office 365 are posted online at the link to the AUP.

### ***2. Confidentiality and Security.***

We and our Providers will (a) maintain appropriate technical and organizational measures, internal controls, and data security routines intended to protect Customer Data against accidental loss or change, unauthorized

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disclosure or access, or unlawful destruction and (b) not disclose Customer Data, except as required by law or expressly allowed. Neither party will make any public statement about this agreement's terms without the other's prior written consent.

### ***3. Term, Termination, and Suspension.***

**Term and termination.** This agreement will remain in effect for three years subject to your right under applicable law to terminate for convenience.

**Customer Data.** You may extract Customer Data at any time. If your Subscription expires or terminates, we will keep your Customer Data in a limited account for at least 90 days so you may extract it. We may delete your Customer Data after that.

**Regulatory.** If a government rule or regulation applies to us or our Providers, but not generally to other businesses, and makes it difficult to operate Office 365 without change, or we or our Providers believe this agreement or Office 365 may conflict with the rule or regulation, we may change Office 365 or terminate the agreement. If we change Office 365 to come into compliance, and you do not like the change, you may terminate.

**Suspension.** We may suspend use of Office 365: (1) if reasonably needed to prevent unauthorized Customer Data access; (2) if you do not promptly respond under §5 to intellectual property claims; or (3) for non-payment; or (4) if you violate the AUP. A suspension will be in effect only while the condition or need exists and, if under clause (1) or (2), will apply to the minimum extent necessary. We will notify you before we suspend, unless doing so may increase damages. We will notify you at least 30 days before suspending for non-payment. If you do not fully address the reasons for suspension within 60 days after we suspend, we may terminate your Subscription.

### ***4. Limited warranty; disclaimer.***

We warrant that Office 365 will meet the SLA terms during the Subscription; your only remedy for breach of warranty is stated in the SLA. *We provide no (and disclaim to the extent permitted by law any) other warranties, express, implied, or statutory, including warranties of merchantability or fitness for a particular purpose.*

### ***5. Duty to protect.***

**Defense.** We or our Providers will defend you against any claims made by an unaffiliated third party that Office 365 infringes its patent, copyright, or trademark or misappropriates its trade secret.

**Remedies.** If we or our Providers reasonably believe that a claim under §5 may bar your use of Office 365, we or our Providers will seek to: (1) obtain the right for you to keep using it; or (2) modify or replace it with a functional equivalent and notify you to stop use of the prior version. If these options are not commercially reasonable, we or our Providers may terminate your rights to Office 365 and refund any payments for unused Subscription rights.

**Other obligations.** To the extent permitted by law, you will (1) notify us promptly of a claim under this §5 and (2) allow us or our Providers to assist in your defense or settlement. You will provide reasonable help to defend. We or our Providers will reimburse you for reasonable out-of-pocket expenses incurred in giving that help and pay the amount of any resulting adverse final judgment (or settlement the protecting party consents to). Neither we nor our Providers will be bound by any settlement to which we do not agree in writing, this § 5 provides the exclusive remedy for these claims.

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**Limits.** The obligations of us and our Providers in this §5 won't apply to a claim or award based on: (1) Customer Data; (2) software not provided by us or our Providers; (3) modifications you make to Office 365, or materials you provide or make available as part of using Office 365; (4) your combination of Office 365 with, or damages based on the value of, a product, data, or business process not provided by us or our Providers; or (5) your use of a Microsoft trademark without their express, written consent, or your use of Office 365 after being notified to stop due to a third-party claim.

## ***6. Limited liability.***

Each party's (and our Providers') maximum aggregate liability for any claim related to this agreement is limited to direct damages up to the fees that you paid for Office 365 during the 12 months before the claim arose (or \$5,000.00 if you paid no fees). *Neither party nor our Providers will be liable for lost revenues or indirect, special, incidental, consequential, punitive, or exemplary damages, even if the party knew they were possible.* The limits and exclusions in this §6 apply to the extent permitted by law, but do not apply to (1) obligations under §5; or (2) intellectual property infringement or misappropriation.

## ***7. Agreement mechanics.***

You must send notice by regular mail, return receipt requested, to the address on the Portal (effective when delivered). We may email notice to your account administrators (effective when sent). You may not assign this agreement, or any right or duty under it. If part of this agreement is held unenforceable, the rest remains in force. Failure to enforce this agreement is not a waiver. The parties are independent contractors. This agreement does not create an agency, partnership, or joint venture. This agreement is governed by the laws applicable to Customer, without regard to conflict of laws. This agreement (including the SLA and AUP) and our price sheet are the parties' entire agreement on this subject and supersedes any concurrent or prior communications. Agreement terms that require performance, or apply to events that may occur, after termination or expiration will survive, including §5. Office 365 and the Client are subject to U.S. export jurisdiction. You must comply with the U.S. Export Administration Regulations, the International Traffic in Arms Regulations, and end-user, end-use, and destination restrictions. For more information, see <http://www.microsoft.com/exporting/>. Our Providers may deliver Office 365, and the rights granted to us also apply to them.

## ***8. Definitions.***

"AUP" means the acceptable use policy at <http://www.microsoftvolumelicensing.com/Downloader.aspx?DocumentId=5502>.

"Client" means device software that we or our Providers provide you with Office 365.

"Customer Data" means all data, including all text, sound, or image files that are provided to us or our Providers by, or on behalf of, you through your use of Office 365.

"Office 365" means (1) Exchange Online, Exchange Online Archiving, SharePoint Online, Lync Online, and Office Web Apps included in Office 365 Enterprise Plans E1, E2, E3, E4, K1, and K2; and Office 365 Government Plans G1, G2, G3, G4, K1, and K2; and (2) Exchange Online Archiving; Exchange Online Protection; Exchange Online Plans 1, 2, Basic, and Kiosk; SharePoint Online Plans 1, 2, and Kiosk; Office Web Apps Plans 1 and 2; and Lync Online Plans 1, 2, and 3.

"Portal" means the Online Services Portal for Office 365 (see <http://www.microsoft.com/online>).