



Recommendation for Action

File #: 21-2715, **Agenda Item #:** 30.

9/2/2021

Posting Language

Authorize negotiation and execution of a cooperative contract with Software One, Inc., for a Microsoft Enterprise License agreement, for a term of three years in an amount not to exceed \$35,000,000.

(Note: This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$11,700,000 is available in Fiscal Year 2021-2022 Operating Budgets of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple vendors within this cooperative purchasing program were reviewed for these services. The Purchasing Office has determined this contractor best meets the needs of the departments to provide the services required at the best value for the City.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Sai Xoomsai Purcell, at 512-978-1524 or Sai.Xoomsai@austintexas.gov <<mailto:Sai.Xoomsai@austintexas.gov>>.

Council Committee, Boards and Commission Action:

July 15, 2021 - Recommended by the Electric Utility Committee on a 6-0 vote with Commissioner Trostle off the dais, Commissioners Hadden, Stone, and Wray absent, and one vacancy.

Additional Backup Information:

The contract will provide a Microsoft Enterprise License Agreement (MSELA) to purchase various Microsoft Cloud and Azure products, licenses, and technical services for use in all City departments. Microsoft Cloud computing is an internet-based environment in which large groups of remote servers are networked to allow centralized data storage and online access to computer services and resources. The contract will allow the City to continue moving forward with features that better enable remote office work. Microsoft Cloud is a subscription service that keeps users up to date with the latest versions of the following products and services:

Microsoft 365

- Latest Office and Office Web Apps (Word, Excel, PowerPoint)
- Desktop, phone, tablet, and web versions

SharePoint Online

- Online and offline file services
- Share documents with external partners
- E-Discovery for public information requests and subpoenas

Microsoft Teams for Business

- Secure instant messaging and presence
- Online meeting and desktop sharing
- Person to person video conferencing
- Seamless integration with Outlook address book

Exchange Online

- 50GB mailbox, unified messaging
- Unlimited archiving
- Email encryption
- E-Discovery for public information requests
- Data loss prevention (protects confidential and sensitive information)
- Rights management for legal and compliance issues

Microsoft 365 meets all compliance requirements including the Health Insurance Portability and Accountability Act and the Criminal Justice Information Systems security requirements for infrastructure and productivity. Both security and service continuity will be enhanced with this contract.

The annual amount of the contract is based on the number of City employees, contractors, and partners that have accessed the network and the existing software licenses. This contract authorization includes contingency amount for new products and additional licenses to be added as required, with the additional costs to be billed upon an annual “true up” at the end of each contract year. The City currently has a MSELA in place

which expires on September 30, 2021, so it is critical that this new contract is in place before expiration.

The City's MSELA will be based on a cooperative contract through the State of Texas Department of Information Resources, which establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Strategic Outcome(s):

Government that Works for All.