



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/8/2021

Item Creation Date:

H29654.A1 - Microsoft Unified Services - MOTION (Microsoft Corporation)

Agenda Item#: 8.

Background:

H29654.A1 – Approve a motion to amend Council Motion No. 2020-0495, passed on September 23, 2020 to amend the term and to increase the spending authority from \$1,250,000.00 to \$2,354,142.00 for the purchase of Microsoft Unified Support Services for citywide services supporting Microsoft products through the Texas Department of Information Resources (DIR) vendor Microsoft Corporation for Houston Information Technology Services and all City departments.

Specific Explanation:

The Chief Information Officer and the Chief Procurement Officer recommend that City Council approve an amendment to Council Motion 2020-0495 to amend the term and to increase the spending authority from **\$1,250,000.00** to **\$2,354,142.00** for the purchase of Microsoft Unified Support Services for citywide services supporting Microsoft products from the Texas Department of Information Resources (DIR) vendor **Microsoft Corporation** for Houston Information Technology Services (HITS) and all City departments. Additionally, it is recommended that authorization be given to issue purchase orders, as necessary, to DIR vendor, **Microsoft Corporation**.

This award was approved by City Council on September 23, 2020 by Motion No. 2020-0495 in the amount not to exceed \$1,250,000.00 for a two-year term. The Motion was awarded for a two (2) year term, with the plans that HITS would come back to Council to request spending authority for a third year if the City elected to exercise the one-year renewal option. The extension would extend the term from October 1, 2022 through September 30, 2023. Expenditures as of August 3, 2021 totaled \$760,705.00. The requested increase of \$1,104,142.00 is needed to both 1) cover an increase of \$135,705.00 for the cost of the second year of the initial term; and 2) cover the optional one-year renewal at a cost of \$968,437.00. The initial motion did not include any funding for the optional third year. The increase in cost for the second year of services is due to increased and enhanced Unified Support Services supporting Microsoft products that are currently being provided.

Microsoft Unified Support Services consolidated and replaced Microsoft Premier Support Services previously subscribed to separately by the Houston Airport System, Houston Public Works, and Houston IT Services Departments. The scope of services includes:

- 24/7/365 reactive support and problem resolution for all Microsoft products with a dedicated Incident Manager.
- On-demand technical assessments to reduce the City's risk regarding tool configuration / health and minimize downtime;
- Service Delivery Management, including product implementation support, cloud transition planning and other proactive support services; and
- Education services, including both on-demand and instructor led training which has more than 1,880 available classes for City of Houston technical staff and end users.

This recommendation is made pursuant to subsection 271.102(c) of the Texas Local Government Code, which provides that "a local government that purchases goods or services from a cooperative purchasing program or organization satisfies any state law requiring the local government to seek competitive bids for the purchase of the goods or services."

This item was presented to the Transportation, Technology & Infrastructure (TTI) Committee on September 2, 2021.

M/WBE Participation:

M/WBE Zero Percentage Goal document approved by the Office of Business Opportunity.

Fiscal Note:

Funding for this item is included in the FY2022 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:

Jerry Adams

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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

DocuSigned by:

Lisa Kent

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Department Approval Authority

8/26/2021

DS

LK

8/27/2021

Estimated Spending Authority			
DEPARTMENT	FY2022	OUT YEARS	TOTAL
Houston Information Technology Services	\$135,705.00	\$628,600.28	\$764,305.28
Houston Airport System	\$0.00	\$219,200.00	\$219,200.00
Houston Public Works	\$0.00	\$120,636.72	\$120,636.72
TOTAL	\$135,705.00	\$968,437.00	\$1,104,142.00

Prior Council Action:

Motion 2020-0495, Passed on September 23, 2020.

Amount of Funding:

\$ 764,305.28 – Central Service Revolving Fund (1002)

\$ 219,200.00 – HAS-Revenue Fund (8001)

\$ 120,636.72 – Water & Sewer System Operating Fund (8300)

\$1,104,142.00 – TOTAL

Contact Information:

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ATTACHMENTS:

Description	Type
MWBE Forms	Backup Material
Initial RCA	Backup Material
Certificate Of Funds	Financial Information
Initial Motion	Ordinance/Resolution/Motion
ADDENDUM TO PURCHASE ORDER	Contract/Exhibit
DIR Services Agreement Contract	Contract/Exhibit
Tax Clear Report	Backup Material