



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date:

ALL

Item Creation Date: 8/17/2022

E32463 - Server Cloud Enrollment Licenses and Software Maintenance - MOTION

Agenda Item#:

**Background:**

**S17- E32463 - Approve spending authority in an amount not to exceed \$12,121,504.58 for the purchase of server cloud enrollment licenses and software maintenance from SHI Government Solutions, Inc. through the Texas Department of Information Resources (DIR) for the Houston Information Technology Services and various departments.**

**SPECIFIC EXPLANATION:**

The Chief Information Officer and the Interim Chief Procurement Officer recommend that City Council approve spending authority in an amount not to exceed **\$12,121,504.58** for the purchase of **server cloud enrollment licenses and software maintenance** through the **Texas Department of Information Resources (DIR)** and that authorization be given to issue purchase orders, as necessary, to the **DIR vendor SHI Government Solutions, Inc.** for the **Houston Information Technology Service (HITS)** and **various departments**.

This request will allow the City to purchase licenses and software maintenance for the Microsoft Windows Server operating systems, SQL server databases, SharePoint servers, and other products included in the Microsoft System Center, being necessary to maintain servers in optimal condition and enable virtualization solutions of a large portion of the physical server environment, thereby reducing hardware and other support costs.

HITS, on behalf of the City of Houston, negotiated and entered into multi-year Microsoft Server Cloud Enrollment (SCE) agreements to purchase licenses and software maintenance services for the City's Windows Server operating systems and SQL Server databases, with the purpose of continuing the process of updating the City's technology to current software standards and ensure that the City remains in compliance with stringent software licensing requirements, while adding cyber security and data protection tools.

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 Committee on September 1, 2022.

**M/WBE Participation:**

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

**Hire Houston First:**

This procurement is exempt from the City's Hire Houston First ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal/Cooperative Purchasing Agreement for this purchase.

**Fiscal Note:**

Funding for this item is included in the FY2023 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

8/31/2022

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**Jedediah Greenfield, Interim Chief Procurement Officer** **Department Approval Authority**  
**Finance/Strategic Procurement Division**

Estimated Spending Authority			
Department	FY2023	Out Years	Total
HITS	\$1,820,233.28	\$4,073,180.44	<b>\$5,893,413.72</b>
HAS	\$436,768.08	\$873,536.16	<b>\$1,310,304.24</b>
HPD	\$1,525,712.92	\$2,690,740.84	<b>\$4,216,453.76</b>
HPW	\$233,777.62	\$467,555.24	<b>\$701,332.86</b>
<b>Grand Total</b>	<b>\$4,016,491.90</b>	<b>\$8,105,012.68</b>	<b>\$12,121,504.58</b>

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8/31/2022

**Amount and Source of Funding:**

\$5,893,413.72- Central Service Revolving Fund (1002)

\$1,310,304.24 - HAS Revenue Fund (8001)

\$4,216,453.76- General Fund (1000)

\$ 701,332.86- Water & Sewer System Operating Fund (8300)

**\$12,121,504.58 - Total**

**Contact Information:**

NAME:	DEPARTMENT/DIVISION	PHONE
Lena Farris, Division Manager	FIN/SPD	(832) 393-8729
Murdock Smith, Sr. Procurement Specialist	FIN/SPD	(832) 393-8725
Jane Wu, Assistant Director	HITS	(832) 393-0013

**ATTACHMENTS:**

Description	Type
Certification of Funds	Financial Information
OBO Documents	Backup Material
Ownership Forms	Backup Material
Co-op Justification	Backup Material
Quote	Backup Material
Clear Tax Report	Backup Material
DIR Contract	Contract/Exhibit