



City of Austin

Recommendation for Action

File #: 24-5371, **Agenda Item #:** 19.

9/12/2024

Posting Language

Authorize negotiation and execution of a contract for Microsoft products and services with SHI-Government Solutions Inc. d/b/a SHI, for up to five years for a total contract amount not to exceed \$130,000,000.

Lead Department

Financial Services Department.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$20,350,206 is available in the Fiscal Year 2024-2025 Operating Budgets of various City departments.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Multiple contractors within this cooperative purchasing program were reviewed for these goods and services. The Financial Services Department has determined this contractor best meets the needs of the departments to provide the goods and services required for the City.

MBE/WBE:

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

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Additional Backup Information:

This contract will provide Microsoft products and services to all City departments including Microsoft Enterprise License Agreement, Microsoft 365, SharePoint Online, Microsoft Teams for Business, Exchange Online, Microsoft Cloud and Azure products, licenses, and technical services. Microsoft Cloud computing is an internet-based environment in which large groups of remote servers are networked allowing centralized data storage and online access to computer services and resources.

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. Security and service continuity will be enhanced with this contract.

The Texas Department of Information Resources is a cooperative purchasing association recognized under Texas procurement statutes. Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If this contract is not approved, it could create an interruption to City operations.