



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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### **REPORT TO COUNCIL**

#### **SUBJECT**

Authorize the Issuance of a Purchase Order for Microsoft Server End of Life Support and Maintenance to SHI International Corp. (F-20-105)

#### **REPORT IN BRIEF**

Approval is requested to authorize the issuance of a Purchase Order to SHI International Corp. of Somerset, NJ in the amount of \$116,428.47 for Microsoft server end of life support and maintenance.

#### **EXISTING POLICY**

Pursuant to Section 2.08.040 of the Sunnyvale Municipal Code (SMC), City Council approval is required for contracts for the procurement of goods and/or services exceeding \$100,000 in any one transaction.

In accordance with SMC Section 2.08.220(b), the purchasing officer may authorize the procurement of goods and/or services through a contract initiated by another governmental, public or quasi-public agency, provided that the parties agree, it was awarded within 12 months, the contract is identical or nearly identical and resulted from competitive bids methods similar to those set forth in SMC Section 2.08.060.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### **BACKGROUND AND DISCUSSION**

The Information Technology Department (ITD) is upgrading database and application servers to comply with Microsoft's new licensing model. Starting January 2020 this new licensing model will discontinue standard support for Windows Server OS and SQL Server Database releases 2008 or older, which is the current City standard. Due to current ITD staffing workload, it was determined that upgrading all database and application servers before the new licensing model begins would not be possible. ITD considered potential vendors that could provide this upgrade service, however many are unavailable to complete the work before the deadline or have limited scheduling availability during the City's work hours.

Recently, Microsoft has decided to offer a support and maintenance program which will provide regular updates and emergency patches for 2008 servers. Obtaining support and maintenance licenses for these servers will allow the City more time to implement the upgrades to its servers with its staff or through contract agreements. Having these support and maintenance licenses available

will allow for a balanced approach to the ongoing server upgrades while ensuring network/system security and mitigating risk to the City. The City has identified that Riverside County, CA, recently solicited competitive bids for these services and executed a Microsoft Enterprise Agreement with Microsoft Licensed Solution Provider's which allows for other government agencies to leverage these pricing and contract terms. SHI International Corp. was a vendor selected and awarded a contract as a result of this solicitation that can provide the required support services.

The City regularly utilizes cooperative agreements to identify qualified vendors that have been selected through a competitive process. Typically, the City has experienced better pricing using a cooperative than when bidding the goods individually. Staff, therefore, recommends a contract with SHI International Corp. for the purchase of Microsoft database and application server support and maintenance licenses through the cooperative Licensing Solution Provider Agreement and Master Microsoft Agreement with the County of Riverside.

### **FISCAL IMPACT**

Funding is available in Project 834600 -Microsoft Server OS and SQL Server Upgrade. This project is funded by the General Services - Technology and Communications Services Sub-Fund.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

Authorize the issuance of a Purchase Order to SHI International Corp. in the amount of \$116,428.47, in substantially the same form as Attachment 1 to the report, for Microsoft server end of life support and maintenance

Prepared by: Gregory S. Card, Purchasing Officer  
Reviewed by: Timothy J. Kirby, Director of Finance  
Reviewed By: Kathleen Boutté Foster, Chief Information Officer  
Reviewed by: Teri Silva, Assistant City Manager  
Approved by: Kent Steffens, City Manager

### **ATTACHMENTS**

1. Draft Purchase Order