

MOTION NO. M2017-64

Contract for Microsoft Products and Associated Services

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	05/04/2017	Final Action	Brian McCartan, Executive Director of Finance and Information Technology Jason Weiss, Chief Information Officer

PROPOSED ACTION

Authorizes the chief executive officer to execute up to a four-year contract with an initial one-year term with EnPointe Technologies Sales, LLC to provide Microsoft licensing and support services in the amount of \$4,954,500.

KEY FEATURES SUMMARY

- Sound Transit will initially enter into a one-year “piggyback” contract based on the NASPO (National Association of State Procurement Officials) Value Point Cooperative Purchasing Organization (formerly WSCA-NASPO) Master Agreement with EnPointe Technologies Sales, LLC for the following services:
 - Annual desktop and Office software maintenance support;
 - Annual fee for Azure and SharePoint 365 services;
 - New licenses (including licenses for Microsoft Office, Windows, Windows Server, MS-SQL, hosted email, email archiving, other Microsoft and Adobe software products); and
 - Technical support.
- As NASPO executes the available contract extensions, Sound Transit will extend its contract accordingly. The requested funds would provide continued services through April 2020, and if additional funds are required they will be requested at that time.
- Using the NASPO contract allows Sound Transit to take advantage of a 15 to 40 percent discount over retail pricing.
- Sound Transit has procured technology software and hardware through a similar method for the past six years, each with a “piggyback” contract that aligns with State contract terms.
- This contract ensures up-to-date Microsoft licensing compliance and 24/7 technical support for Sound Transit’s software infrastructure.

BACKGROUND

Sound Transit has purchased Microsoft software and support services under the Washington State Department of Enterprise Services (DES) Master Contract for over six years. This is a new contract entered into by the State, as a participant in the NASPO (National Association of State Procurement Officials) Value Point Cooperative Purchasing Organization (formerly WSCA-NASPO) Master Agreement, replacing the previous SoftwareOne, Inc. contract. This contract is used to procure new Microsoft software for employees and co-located consultants, as well as for additional positions expected to be filled throughout the contract term. This contract also includes funds for annual maintenance renewals on software required to support the Microsoft software in a state of good repair.

The software is used to support a combined total of approximately 2,500 staff and consultants. The Microsoft suite of office products is essential to the agency’s operational needs to conduct business in a seamless and efficient manner. Software Sound Transit uses to maintain its internal

website and other agency-wide infrastructure relies on up-to-date support and licensing agreements with Microsoft Corporation.

PROCUREMENT INFORMATION

Sound Transit is using a NASPO (National Association of State Procurement Officials) Value Point Cooperative Purchasing Organization (formerly WSCA-NASPO) Master Agreement with EnPointe Technologies Sales, LLC to provide Microsoft licensing and support services. The NASPO Contract has optional extensions until April 2021.

FISCAL INFORMATION

The proposed action will be funded from the services category within the Finance and Information Technology (FIT) department’s annual operating budget. The services category budget is \$17,281,427 of which a total of \$225,000 is estimated to be spent in the first year of the contract and is within the agency’s budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures anticipated in the 2017 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

Finance and Information Technology
(in thousands)

Cost Category	2017 Annual Operating Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$20,981	\$4,059	\$	\$4,059	\$16,922
Services	17,281	3,650	225	3,875	13,407
Materials and Supplies	1,581	283		283	1,298
Utilities	953	184		184	769
Insurance	7,482	1,061		1,061	6,421
Miscellaneous	491	178		178	313
Interest Expense	18	1		1	17
Leases and Rentals	415	115		115	300
Total Annual Operating Budget	\$49,203	\$9,531	\$225	\$9,756	\$39,447

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
EnPointe Technologies Sales, LLC	\$	\$225	\$4,730	\$4,955

Contract Detail	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Revised Board Approved Contract Value
EnPointe Technology Sales, LLC				
Services	\$	\$	\$4,955	\$4,955
Contingency			-	-
Contract Amount - Total	\$	\$	\$4,955	\$4,955
Percent Contingency	0%	0%	0%	0%

Notes:
Actuals to date are thru March 31, 2017.
Budget detail can be found on page 29 of the Adopted 2017 Budget book.

SMALL BUSINESS/DBE PARTICIPATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Because this contract “piggybacks” onto the NASPO contract with EnPointe Technologies Sales, LLC, goals for participation were not established by Sound Transit.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would impact support services from the vendor.

PRIOR BOARD/COMMITTEE ACTIONS

None.

ENVIRONMENTAL REVIEW

JI 4/6/2017

LEGAL REVIEW

AJP 4/28/2017

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute up to a four-year contract with an initial one-year term with EnPointe Technologies Sales, LLC to provide Microsoft licensing and support services in the amount of \$4,954,500.

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MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute up to a four-year contract with an initial one-year term with EnPointe Technologies Sales, LLC to provide Microsoft licensing and support services in the amount of \$4,954,500.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 4, 2017.



Paul Roberts
Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator