



DATE: July 30, 2020

TO: Brenda J. Billingsley, Director, Purchasing Division

THRU: David Clemente, Purchasing Manager, Purchasing Division

FROM: Howell Herring, Chief Information Officer, Enterprise Technology Services

PROJECT TITLE: Microsoft Corporation-Microsoft Various Software Licenses, Subscriptions, and Cloud Services

REQUISITION NO. ETS0001881

SOLE SOURCE/SOLE BRAND REQUEST

I. REQUEST: Provide a description of the features of the product/service or Scope of Work.

To reaffirm Sole Brand designation for Microsoft Licenses, Software Assurance, Subscriptions, Maintenance, Cloud Services, and Microsoft Consulting Services in use on an Enterprise level by Broward County Agencies. Enterprise Technology Services is requesting to have Microsoft Corporation, a registered entity in the State of Florida as the continued Sole Brand provider of Microsoft services and standardized software residing on County Servers, Workstations, Web portals, and other business critical systems serving County operations.

To reaffirm Sole Source designation is for procurement of standardized Microsoft offerings through an Enterprise Agreement (EA) based on the terms of the Enterprise Agreement with the State of Florida (43230000-15-02). The current vendor under contract for the State of Florida Agreement is Software House International, herein referred to as (SHI) and is the sole authorized vendor to sell Microsoft software licenses, subscriptions, and software assurance for this agreement. ETS is requesting the Sole Source for procurement of Microsoft offerings through an Enterprise Agreement be SHI or, if in the event the State of Florida awards to a new vendor through a competitive process, the vendor named directly by Microsoft to service this agreement.

In addition to seeking Sole Brand / Sole Source designation, Enterprise Technology Services is requesting permission to negotiate with SHI on entering into a 36-month agreement for the Microsoft Enterprise Agreement.

II. JUSTIFICATION: Please check all boxes that describe your reason(s) for determining that only one source or brand is reasonably available.

Only Sole Source/ Uniqueness

- Proprietary Item - this vendor/source has the only rights to provide this service or commodity. A letter from the manufacturer or authorizing entity is included in this request.
- Technology Improvements - updates or upgrades to an existing system, software, software as a service (SaaS), hardware purchases.
- Engineering Direction - engineering drawing or specification identifies product; "no substitutes or equivalents will be acceptable."
- Only qualified supplier - reliability and maintainability of the product or service would be degraded unless specified supplier is used; may void warranty. This request includes a copy of the current warranty information.
- Other/or Additional information - the County requires this sole source, sole brand purchase for the following reasons:

The use of the Enterprise Agreement is to purchase licensed product, subscriptions, maintenance, services, and software assurance. Software assurance provides for true up licensing rights, enhanced value-added service, E-Learning training, software upgrade/downgrade rights, and the subscription services of Microsoft 365 (M365 Office

productivity suite) in the Microsoft Government Cloud. ETS sends itemized software costs for licensing and subscriptions under this Agreement to SHI for processing, enrollment, and administration. The Microsoft "E3" Office 365 companion subscription relates to product under software assurance enhancing and providing additional value to County owned software, working in a hybrid locally administered/cloud enhanced design whereas, the County's physical network extends into the highly secure Cloud designed by Microsoft, specifically for Government entities. Additional licensing used by County Agencies include Microsoft Project, Visio, Teams, Power Business Intelligence (BI) and other associated general use product.

Business Case (One/Most Reasonable Source or One/Most Reasonable Brand)

- Operational Compatibility - replacement parts from alternate suppliers are not interchangeable with original part and causes equipment incompatibility. Previous findings and/or documentation is included with this request.
- Ease of Maintenance - maintenance or retooling prohibits competition. Section III, Comparative Market Research includes estimated costs associated with changing current source and/or brand.
- Follow-On - potential for continued development or enhancement with same supplier and eliminates costs incurred by using different supplier. Section III, Comparative Market Research includes estimated costs for replacing current or existing system.
- Complies with existing community and safety standards, and/or laws, rules, and regulations.
- Exempted from the Procurement Code - per Section 21.18 of Broward County Administrative Code.
- Other/or additional information - using this sole source, sole brand purchase benefits the County for the following reasons:

Since 2002, the County executed six (6) consecutive 36-month Enterprise Agreements with Microsoft for steady-state licensing compliance, and software assurance under the state of Florida Enterprise Agreement. Broward County gains an advantage of heavily discounted pricing offered by Microsoft, as this agreement was setup up to offer State Agencies and local Government entities of Florida the ability to purchase licenses at discounts based on a high aggregate volume of licensing under the State agreement (*Enterprise Agreement discount is currently at 18.02%*). The opportunity to receive such significant discounts is only available by entering into an Enterprise Agreement with Microsoft based on, and through the State of Florida Agreement. Microsoft offers subscription services within a "Government only" cloud offering. The Microsoft cloud in general, resembles offerings by other competitors in this market share, but provides a tightly integrated solution that no other cloud provider can offer. Broward County requires the uniqueness that Microsoft offers in this subscription, by effectively extending the County's network directly into a highly secure, "Government client" only location contained within the borders of the United States. This extension of the County's network allows ETS staff to continue maintaining public records, storage hierarchy at the folder level, and administration of County staff network accounts outside of the premise for the County network utilizing cost advantages through economies of scale that cloud services offer. The ability to extend Broward County's Microsoft Active Directory, provides for seamless transition of data and services without the use of third-party software applications or conversion scripts. Several Agencies use Microsoft Cloud to store backup data in a secure location to accommodate Disaster Recovery operations. The County licensing model uses Microsoft 365 from the Cloud for the Office Suite of desktop products. The feature of cloud-based Microsoft OneDrive for Business allows real-time synchronization of documents to the user's folder in the cloud. These files are also available on every device owned by the user regardless if the file resides on the device or accessed from the cloud folder on the devices.

III. COMPARATIVE MARKET RESEARCH: Provide a detailed source or market analysis for justification of sole source/brand or most reasonable source (attach extra sheets as needed).

Estimated project value: 12,300,000 Contract length (if applicable): Three Years

Expenses to date: 13,314,048

Has this commodity or service been previously provided to the County? Yes No

If yes, when and by whom? Microsoft, Software House International

How was item/service procured? Sole brand and sole source

What is the current contract (MA) or purchase order number? A21136227G2, A2115141G1, TEC2116669G1

If this is a sole brand, is there an "authorized" dealers list? Yes No

Cost/Benefit Analysis: What would the cost be to utilize an alternate vendor or source? This explanation should include the savings and/or additional costs to the County by not using the preferred vendor or source. Attach additional sheets if needed.

This Sole Source/Brand request served as a protection of Microsoft licensed assets the County has built their business processing on, and where the County steadily invested significant funds. Since 2002, the County executed six (6)

consecutive 36-month Enterprise Agreements with Microsoft for steady-state licensing compliance, and software assurance under the state of Florida Enterprise Agreement. Broward County gains an advantage of heavily discounted pricing offered by Microsoft, as this agreement was setup up to offer State Agencies and local Government entities of Florida the ability to purchase licenses at discounts based on a high aggregate volume of licensing under the State agreement (*Enterprise Agreement discount is currently at 18.02%*). The opportunity to receive such significant discounts is only available by entering into an Enterprise Agreement with Microsoft based on, and through the State of Florida Agreement. The County Enterprise Agreement and, services under the State Microsoft contract have an estimated annual fiscal impact of \$4,100,000. This includes expenditures toward the annual Microsoft Premier Support services for Enterprise Technology Services, Aviation Department, Water and Wastewater Services and, Regional Emergency Services and Communications. This Agreement provides for Consulting engagements and Enterprise product Health and Security checks. Separate Microsoft Enterprise Agreements under this State Contract apply toward the Libraries Division, Water and Wastewater Services, and the Aviation Department. Microsoft offers subscription services within a "Government only" cloud offering. The Microsoft cloud in general, resembles offerings by other competitors in this market share, but provides a tightly integrated solution that no other cloud provider can offer. Broward County requires the uniqueness that Microsoft offers in this subscription, by effectively extending the County's network directly into a highly secure, "Government client" only location contained within the borders of the United States. This extension of the County's network allows ETS staff to continue maintaining public records, storage hierarchy at the folder level, and administration of County staff network accounts outside of the premise for the County network utilizing cost advantages through economies of scale that cloud services offer. The ability to extend Broward County's Microsoft Active Directory, provides for seamless transition of data and services without the use of third-party software applications or conversion scripts. Several Agencies use Microsoft Cloud to store backup data in a secure location to accommodate Disaster Recovery operations. The County licensing model uses Microsoft 365 from the Cloud for the Office Suite of desktop products. The feature of cloud-based Microsoft OneDrive for Business allows real-time synchronization of documents to the user's folder in the cloud. These files are also available on every device owned by the user regardless if the file resides on the device or accessed from the cloud folder on the devices.

CERTIFICATION: I have thoroughly researched the sole source or sole brand justification and fully understand the implications of Section 838.22 of the Florida Statutes:

(2) "It is unlawful for a public servant, with corrupt intent to obtain a benefit for any person or to cause unlawful harm to another, to circumvent a competitive bidding process required by law or rule by using a sole source contract for commodities or services."

(5) "Any person who violates this section commits a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084"

Keith A. Wolf

Digitally signed by KEITH WOLF
Date: 2020.07.30 14:26:32 -04'00'

July 30, 2020

REQUESTOR/EVALUATOR (PRINT)

REQUESTOR/EVALUATOR (SIGN)

DATE

Howell Herring

HOWELL HERRING

Digitally signed by HOWELL HERRING
Date: 2020.07.30 15:15:50 -04'00'

July 30, 2020

DEPT/DIV DIRECTOR OR
DESIGNEE (PRINT)

DEPT/DIV DIRECTOR OR DESIGNEE
(SIGN)

DATE

The Purchasing Agent has reviewed the request and has completed the required due diligence per the Procurement Code Section(s) 21.34 and 21.35. The Purchasing Agent recommends the following:

- Sole Source Sole Brand Reasonable Source RFI attached Rejected
- Request Authorization to Negotiate

Additional Information:

Purchasing Agent finds the request to standardize the Microsoft product line of products and services to be prudent and reasonable based on the value delivered in performance and reliability to Broward County Enterprise Technology in past years. The ETS request for a new 36 month Agreement with Software House International (SHI) is timely as the existing contract under the State of Florida No.: 43230000-15-02 expires 10/30/2020.

Nicole Kelley,
Purchasing Agent

**NICOLE
KELLEY** Digitally signed by
NICOLE KELLEY
Date: 2020.07.31
12:00:14 -04'00'

Date: 7/31/20

David Clemente
Purchasing Manager

**DAVID
CLEMENTE** Digitally signed by
DAVID CLEMENTE
Date: 2020.08.05
17:00:28 -04'00'

Date: 8/5/20

APPROVAL AUTHORITY
REASON/SUGGESTED ACTION (IF DISAPPROVED):

Brenda J. Billingsley
Director Purchasing Division

**BRENDA
BILLINGSLEY** Digitally signed by
BRENDA BILLINGSLEY
Date: 2020.08.13
09:49:16 -04'00'

Date: