

### **3.3 Request for Proposals for As-Required Microsoft 365 Professional and Technical Services.**

#### **Recommendation:**

Accept the report on the Request for Proposals and adopt a resolution authorizing the City Manager or her designee to:

(a) Negotiate and execute agreements with AgreeYa Solutions, Inc. (Folsom, CA), Planet Technologies, Inc. (Gaithersburg, MD), and Protiviti Government Services, Inc. (Alexandria, VA) for as-required Microsoft 365 product suite professional and technical services for a seven-year term beginning on or about January 10, 2024 through January 9, 2031 with a maximum aggregate compensation not to exceed \$6,720,000, subject to the appropriation of funds; and

(b) Negotiate and execute amendments for all agreements as required to address changes in the City's Microsoft 365 product suite professional and technical services needs, including associated adjustments in compensation and reallocation of funds between providers, consistent with the procurement and the City's standard terms and conditions, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Rick Bruneau

**SUBJECT:** SEE BELOW

**DATE:** December 11, 2023

Approved

Date

12/14/23

**SUBJECT: REQUEST FOR PROPOSALS FOR AS-REQUIRED MICROSOFT 365  
PROFESSIONAL AND TECHNICAL SERVICES**

## **RECOMMENDATION**

Accept the report on the Request for Proposals and adopt a resolution authorizing the City Manager or her designee to:

- a) Negotiate and execute agreements with AgreeYa Solutions, Inc. (Folsom, CA), Planet Technologies, Inc. (Gaithersburg, MD), and Protiviti Government Services, Inc. (Alexandria, VA) for as-required Microsoft 365 product suite professional and technical services for a seven-year term beginning on or about January 10, 2024 through January 9, 2031 with a maximum aggregate compensation not to exceed \$6,720,000, subject to the appropriation of funds; and
- b) Negotiate and execute amendments for all agreements as required to address changes in the City's Microsoft 365 product suite professional and technical services needs, including associated adjustments in compensation and reallocation of funds between providers, consistent with the procurement and the City's standard terms and conditions, subject to the appropriation of funds.

## **SUMMARY AND OUTCOME**

Authorizing the City Manager or her designee to take these actions provides the City with access to professional and technical services as required to develop and maintain the City's Microsoft 365 product environment.

## **BACKGROUND**

The City currently leverages Microsoft 365 products to enhance staff efficiency, collaboration, and productivity through various Microsoft 365 products for email, calendar management,

document and content management, intranet development, collaboration tools, file hosting, custom web applications development, security solutions, Azure integration, and eDiscovery. However, in this era of rapid technological evolution, the City is grappling with challenges arising from limited resources, expertise gaps, and management of a multitude of projects.

In light of these challenges, the City recognizes the importance of partnering with vendors certified and experienced in Microsoft 365 to support the City's ecosystem. Such vendors can provide specialized expertise, resources, and flexibility to address the City's evolving needs and facilitate:

- Execution of special projects to ensure they meet stringent technical standards and project-specific requirements;
- Access to specialized skills and knowledge to optimize the configuration, maintenance, and troubleshooting of Microsoft 365 products;
- Improved performance, security, and resilience of the Microsoft 365 environment; and
- Efficient allocation of limited technical resources, allowing in-house teams to focus on other core activities.

In 2015, the City conducted a competitive Request for Proposals (RFP) for SharePoint-related services resulting in contract awards to multiple vendors. Those agreements expired in May 2023. SharePoint is part of the Microsoft 365 product suite and new agreements are needed to help support the City's Microsoft 365 projects.

## **ANALYSIS**

In April 2023, the Finance Department released an RFP on behalf of the Information Technology Department for as-required Microsoft 365 professional and technical services through the City's e-procurement system, Biddingo. Over 8,000 vendors were notified of the bid opportunity by Biddingo through its daily bid notices, and 16 companies viewed the RFP. Six vendors submitted proposal responses prior to the submittal deadline.

***Evaluation Process:*** Proposals were independently evaluated and scored, in accordance with the evaluation criteria set forth in the RFP, by a three-member evaluation team comprised of representatives from the City's Information Technology Department. Following the initial scoring of proposal responses from the evaluation team, staff conducted a Best and Final Offer process with the three highest scoring respondents. Final scores for the three finalists are as follows:

<b>Evaluation Criteria</b>	<b>Maximum Points</b>	<b>AgreeYa Solutions, Inc.</b>	<b>Planet Technologies, Inc.</b>	<b>Protiviti Government Services, Inc.</b>
General Requirements	5	4	5	3
Experience/Qualifications	30	26	22	20
Project Approach/Schedule	5	4	3	3
Technical Capabilities	30	25	22	23
Cost Proposal	20	20	14	17
Local Business Enterprise	5	5	0	0
Small Business Enterprise	5	0	0	0
<b>TOTAL</b>	<b>100</b>	<b>84</b>	<b>66</b>	<b>66</b>

**Local and Small Business Enterprise Preference:** In accordance with City of San José Municipal Code, Section 4.12.320, 10% of the total evaluation points were reserved for the local and small business preferences. One vendor, AgreeYa Solutions, Inc., requested and received the local business preference for its office located within Santa Clara County.

**Protest:** The City RFP process included a 10-day protest period that began when the City issued the Notice of Intended Award on October 2, 2023. No protests were received.

**Award Recommendations:** Based on the results of the evaluation, staff recommends award of contracts to AgreeYa Solutions, Inc., Planet Technologies, Inc., and Protiviti Government Services, Inc., whose proposals were scored as the best value proposals per the evaluation criteria and specifications set forth in the RFP. All three of these vendors have extensive experience, knowledge, and expertise in providing the same or similar services for other organizations.

Staff conducted reference checks with the City of Loveland (CO), City of San José (CA), City of Fontana (CA), California Energy Commission (CA), Moody's Financial (NY), Alaska Office of Information Technology (AK), and Ferrara Candy Company (IL). All references provided positive feedback.

**Summary of Agreements:** The agreements with AgreeYa Solutions, Inc., Planet Technologies, Inc., and Protiviti Government Services, Inc. will be in accordance with the City's standard terms and conditions and include the following provisions:

- Fixed not-to-exceed rates for a seven-year term and a not-to-exceed amount for each agreement, with compensation based on actual services requested by the City (through executed service orders, subject to the appropriation of funds) and provided by the vendors; and
- Detailed scopes of services to ensure that the services comply with the City's requirements.

## **EVALUATION AND FOLLOW-UP**

This memorandum will not require any follow-up from staff.

### **COST SUMMARY/IMPLICATIONS**

Services to be utilized under the seven-year contracts are for a currently undetermined quantity and value, and will be used as needed. The contracts are set up as master services agreements with a not-to-exceed amount for the full seven-year term. Work may only commence once funds are certified and encumbered through an executed service order that draws down on the not-to-exceed amount of the master agreement.

<b>1. AMOUNT OF RECOMMENDATION (Seven-Year Term)</b>	<b>\$6,720,000</b>
------------------------------------------------------	--------------------

#### **2. COST ELEMENTS:**

- AgreeYa Solutions, Inc. As-Required Services (seven-year term)	\$2,240,000
- Planet Technologies, Inc. As-Required Services (seven-year term)	\$2,240,000
- Protiviti Government Services, Inc. As-Required Services (seven-year term)	\$2,240,000

<b>GRAND TOTAL NOT-TO-EXCEED FOR ALL AGREEMENTS</b>	<b>\$6,720,000</b>
-----------------------------------------------------	--------------------

### **BUDGET REFERENCE**

The Administration will recommend the allocation of funding through the annual budget process as necessary to cost-effectively manage the City's Microsoft 365 environment as assessed by the Information Technology Department.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, the City Manager's Budget Office, and the Information Technology Department.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the January 9, 2024 City Council meeting.

### **COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

HONORABLE MAYOR AND CITY COUNCIL

December 11, 2023

**Subject: Request for Proposals for As-Required Microsoft 365 Professional and Technical Services**

Page 5

## **CEQA**

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

## **PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

RICK BRUNEAU  
Director of Finance

For procurement- and contract-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at [albie.udom@sanjoseca.gov](mailto:albie.udom@sanjoseca.gov). For program-related questions, please contact Shaun Ratchford, Deputy Director of Information Technology, at [shaun.ratchford@sanjoseca.gov](mailto:shaun.ratchford@sanjoseca.gov).