



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 03/11/2025

**REQUESTER:** Kari Madden

**PRESENTER:** Tim Powers, Director Information Technology

**ITEM TITLE:** CONSIDERATION OF ACCEPTANCE APPROVAL REJECTION AMENDMENT AND/OR POSTPONEMENT OF RFP 2425-32, AND CONTRACT K-2425-100: BY AND BETWEEN THE CITY OF NORMAN AND NOVO, FOR PRICING ON MICROSOFT OFFICE 365 SKU'S AS OUTLINED IN THE RFP AND SERVICES TO IMPLEMENT OFFICE 365 AND MIGRATION OF OUR ON PREMISE EXCHANGE TO CLOUD SERVICES AND THE DECOMMISSION OF THE ON PREMISE SERVER AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The City of Norman has been using MicroSoft Office 2016 and Exchange 2016 (email) for the last 10 years. Both of these applications are slotted for “end-of-life”, “end-of-support” by MicroSoft October 14, 2025. In short, of these core and daily operations suites will receive neither critical security updates nor technical support if needed after that date. This is not sustainable or recommended to continue and not upgrade. The City of Norman Information Technology accepted responses to RFP 2425-32 for the pricing of Microsoft Office 365 SKU's for Government subscription suites. The RFP included professional services necessary to properly setup the cloud based infrastructure necessary to provide the applications and access (referred to as a tenant) as well as migration assistance of our on premise Exchange server to the cloud including the decommission of the on premise Exchange server.

### **DISCUSSION:**

City staff first consulted to leverage possible State contracts. It became clear that moving to MS Office 365 and the depth of product ID's would lend us best served with consulting services to ensure accurate product ID's were being quoted to meet our objectives. MicroSoft has 11 subscription suites just addressing Government implementations. Within all of the suite offerings there are an excess of 4,470 product ID's and possibilities. When we requested initial pricing, we started to find that many were quoting incorrect products to meet our compliance mandates for security and a government tenant. The RFP was the best option to allow staff to work with professionals dealing with MS Licensing and to gain their insight and approaches to accomplishing this complex project and tasks. The City received four (4) responses to our RFP for pricing and professional services. The vendors were Novo, SHI,

Kayak, and SoftChoice. The pricing is detailed below with the implementation varying significantly. One had education SKU's which we cannot use.

NOVO is a direct partner with the ability to offer advanced support. This provides IT staff access to Premier MicroSoft support when needed. This also meant the City receives advanced support through NOVO engineers at no additional costs. Their support is 100% U.S. based versus MicroSoft that could outsource out of country. All of the NOVO engineers are background checked meeting FBI requirements for compliance and support. Further if City staff and NOVO engineers for some reason cannot resolve an issue, it is escalated within MicroSoft and worked directly with NOVO to resolution. In the past City Staff would have to open tickets with MicroSoft for an initial cost of \$400 per incident and could take substantial time with limited ability to escalate within MicroSoft due to lack of support agreements. For critical impact calls we are assured a less than 1 hr response and minimal impact we are guaranteed less than 4 hours response. This is a significant improvement for support for our staff. Staff do not expect the total cost of the licensing agreement for all users and implementation service costs to exceed \$284,000 in the first year. This will provide MS Office 365 for all City network users.

	SHI	NOVO	Kayak	SoftChoice
<b>Cost per Licensing</b>		10% off ERP w/ additional 2.5% if over 500K in 1 yr		
G5	400.85	378 w/o or 410 w/ac	456	not provided
G3	E3 238.71	248.4	276	249.24
G1	E1 103.79	108	120	104.52
Support cost identified per hr or year	47,400 / yr	Access to Advanced Support, US Based, no additional cost	28,800/yr	24 hrs free for first 30 days
Implementation Cost	31,935.00	8,360.00	16,205	42,924 84,000 for GCC & Ex Migration

Funds are available in Capital Fund project Enterprise Software Infrastructure (Project IT1002, Account No. 50194557-46301, Materials) to fund this expenditure and ongoing costs. The

City will initially purchase limited numbers of each license type to stand up the environment and test all applications, functionality, and security. We will deploy to all network users in larger groups throughout the year. The license will be purchased at said prices depending on needs of users and groups. G5 license for \$378 each without audio conferencing or \$410 with audio conferencing, G3 licensing for \$248.40 each, and G1 licensing for \$108 each. These costs are annual recurring costs. We expect the total cost for the first year will not exceed \$275,000 for all users and implementation service costs.

**RECOMMENDATION:**

Staff recommends approval of contract K-2425-100 with NOVO at the cost each as outlined in RFP 2425-32 including implementation costs.