
SUBJECT: Microsoft Unified Support Multiyear Purchase
TO: Committee of the Whole
FROM: Burlington Digital Services
N/A

Report Number: BDS-01-25

Wards Affected: All

Date to Committee: April 7, 2025

Date to Council: April 15, 2025

Recommendation

Approve the single source purchase of Microsoft Unified Support from Microsoft Canada for the term and costing outlined in Burlington digital services report BDS-01-25; and

Authorize the Manager of Procurement Services to execute a contract to purchase Microsoft Unified Support, change order(s), and extension(s), as required provided the contents are satisfactory to the Executive Director of Legal and Legislative Services and Corporation Counsel.

Executive Summary

BDS is requesting the purchase of Microsoft Unified Support based on a three (3) year term directly from Microsoft Canada. Microsoft Unified Support is the enhanced support tier over the traditional support streams that offers 24/7 resolution support, and a dedicated customer success account manager that includes escalation management for critical issues. Purchasing directly from Microsoft is advantageous as the City will be receiving support services directly from the manufacturer in addition to the tangible benefit that Microsoft gives back in the form of proactive credits as a percentage of what the City pays for the reactive support. Proactive credit work includes IT health consultation, on demand risk assessments, advisory support from a how to and best practices perspective, as well as technical training in various subject matter areas.

Multiyear purchase breakdown: The cost is based on the volume of Microsoft services that we are licensed for. It will not change over the next three years.

	Year 1	Year 2	Year 3	Total
Annual Cost, Before HST	\$68,481.40	\$68,481.40	\$73,749.20	\$210,712.00

Fiscal 2025 – Fiscal 2028

The multiyear contract requires the City to pay annually at the beginning of the year. The existing base budget (CC471035) has sufficient funding for the identified fiscal years.

Recommendation Report

Background

The City has made significant investment in Microsoft tools and functionality since 2023. The modernization and consolidation of tools being maintained in the Microsoft technology stack has allowed the City and BDS to be agile in the way services are delivered and maintain a lot of the essential skills internally without the reliance on external vendors. From an application and technology architecture perspective, reducing our footprint creates operating efficiencies as well as aligns future capabilities. As we find operating and scalable growth efficiencies, we also require advanced support related to Microsoft to deliver sustainable digital services to both internal and external customers. BDS would like to obtain advanced support (Microsoft Unified Support) from Microsoft to assist us with deploying and supporting our digital growth and modernization.

Microsoft Unified Support is the enhanced support tier over the traditional support streams that offers 24/7 resolution support, and a dedicated customer success account manager that includes escalation management for critical issues. The City will have direct access to Microsoft engineers with an escalation manager to triage and resolve our issue as fast as possible. A tangible benefit of the Microsoft Unified support is the proactive work that we will receive.

Microsoft Unified Support is not covered under the existing Microsoft Enterprise Agreement (EA) that the City has with Microsoft Canada, it would be a separate contract directly with Microsoft Canada. Prior to 2024, the City engaged a third-party vendor to provide enhanced support services. Following a comprehensive review, it was determined that the overall experience and value delivered did not meet the City's expectations. In 2024, the City purchased one year Microsoft Unified Support as a trial to determine if this alternative would meet the City's needs and expectations. The trial found enhanced benefit from a support perspective as well as the proactive services that are provided through the service.

Purchasing the Microsoft Unified Support directly from Microsoft Canada is advantageous as the City will be receiving support services directly from the manufacturer. Further, Microsoft gives back a percentage of what the City pays in reactive support as a tangible benefit in the form of proactive credits. Every year the City is anticipated to receive about \$34,000 back in proactive credits that can be used for IT Health consultation, on demand risk assessments, advisory support from a how to and best practices perspective, as well as technical training in all subject matter areas. Buying from Microsoft resellers is not likely to be cost effective versus buying direct. As noted, prior to 2024, BDS did try indirect support through an alternate reseller

in the past and the experience was unsatisfactory. This enhanced support is regarded as a standard requirement and aligns with the City's approach to ongoing system support.

Implications

Maintaining the status quo, foregoing this level of support, or procuring alternative support not directly from Microsoft could result in more frequent and prolonged outages of City services that rely on the Microsoft ecosystem, impacting both internal and external customers.

Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
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Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.