

## DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA



**MENTAL** August 27, 2025

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71-IT. INFORMATION TECHNOLOGY

Department of General Services, Office of State Procurement

Contract ID: Microsoft Licensing Packages; CTR021863 / 001B5600254

ADPICS No.: CTR021863 / 001B5600254

**Contract Description:** Purchase Microsoft Licensing Packages through OMNIA Partners Public Sector, competitively awarded and led by the City of Mesa, Arizona, as the Principal Procurement Agency, providing cooperative purchasing opportunities for State agencies.

Award: SHI International Corporation (SHI); Somerset, NJ

**Contract Term:** 09/29/2025 - 09/28/2028\* (w/three 2-year renewal options)

(\*Or earlier upon BPW approval)

**Amount:** \$166,562,500 (Base Term)

\$ 97,500,000 (Renewal Option #1) \$ 97,500,000 (Renewal Option #2) \$ 97,500,000 (Renewal Option #3)

\$459,062,500 Total

**Procurement Method:** Intergovernmental Cooperative Purchasing Agreement (ICPA)

(OMNIA Partners' Master Agreement No's. 2024056-01 and 2024056-02, led by the City of Mesa, Arizona)

**Living Wage Eligible:** No

MBE/VSBE Participation: 0% / 0%

*Incumbent*: Same

Requesting Agency Remarks: OMNIA Partners' Master Agreements awarded by the City of Mesa, Arizona, were competitively solicited and publicly awarded as the lead agency, using a competitive solicitation process consistent with applicable procurement laws and regulations. By using the OMNIA Partners' Master Agreements, DGS-OSP will continue to leverage the nation's largest and most experienced cooperative purchasing organization for the public sector. DGS-OSP will manage the contracts with SHI on behalf of all State agencies. Also, like the prior agreement, the contract shall be administered via a Work Order process which will allow each agency to tailor its specific Statement of Work (SOW) for each order.



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**SUPPLEMENTAL** 

August 27, 2025

## 71-IT. <u>INFORMATION TECHNOLOGY</u> (cont'd)

## Agency Remarks (cont'd):

The resulting services from this ICPA would allow States to access a master agreement for the purchase of Microsoft Licensing Packages. It will also streamline the procurement process and maximize cost avoidance for the using State agencies. Additional key benefits of this competitively and successfully negotiated contract by the City of Mesa, Arizona include access to a wide range of technology solutions, categorized to include, but not limited to: systems, input/output devices, memory, storage devices, network equipment, software, media supplies, collaboration and IP telephony, and other related products and services.

Pursuant to COMAR 21.05.09.04, it has been determined that it is in the best interest of the State to continue its participation using the newest OMNIA Partners' Master Agreements. Microsoft licensing is currently being used by State agencies; therefore, it is crucial that DGS-OSP maintain in place contracts to avoid any uninterrupted flow of services. This purchasing agreement provides the State of Maryland with favorable contract terms, and a variety of technology solutions as detailed above. SHI offers a discount off a verifiable price list from the manufacturer.

SHI shall provide a minimum 18.25% discount off the Estimated Retail Price (ERP) on Cloud (Monthly Subscriptions) and a minimum 16.25% discount off the ERP of On-Premises Products (Perpetual Licenses and Software Assurance).. This model presents the most aggressive pricing that SHI can offer based on how Microsoft prices out its products and takes into consideration both current agency needs, as well as future growth. As a result, SHI's price has also been determined to be fair and reasonable.

An MBE participation was not established for these contracts because these contracts are solely for the purchase of software licenses and software license renewals. There are no services provided under this contract, therefore no subcontracting opportunities exist.

**Fund Source:** Various

Approp. Code: Various

Resident Business: No MD Tax Clearance: 25-0031-1110

BOARD OF PUBLIC WORKS THIS ITEM WAS:

APPROVED DISAPPROVED DEFERRED WITHDRAWN

WITH DISCUSSION WITHOUT DISCUSSION