

# COMMISSION AGENDA

Item: 4C

Meeting: 3/17/22

**DATE:** March 3, 2022  
**TO:** Port of Tacoma Commission  
**FROM:** Eric Johnson, Executive Director  
Sponsor: Mark Miller, IT Director  
**SUBJECT:** Microsoft Azure Cloud Service Approval

## A. ACTION REQUESTED

Request Commission approval to issue a purchase order for Microsoft Azure Cloud Services of up to \$450,000 for 2022.

## B. SYNOPSIS

The Master Policy Resolution stipulates that any vendor contract which exceeds \$300,000 must be approved by the Commission. The Master Policy Resolution does not exempt personal services contracts.

The pricing for Microsoft Azure Cloud Services is based on the State of Washington Department of Enterprise Services NASPO ValuePoint Software VAR Contract#: 05116.

The Microsoft Azure Cloud Services is for compute and cybersecurity. Given the Port of Tacoma IT Strategy to leverage Cloud IT Services, the Microsoft Azure compute costs are continuing to increase and will be offset by reduced hardware capital and data center lease costs in the future. The Microsoft Azure Cloud Services costs are covered in the 2022 IT budget.

As discussed at the January 18, 2022 Commission Executive Session cybersecurity briefing, the Port is continuing to increase Cybersecurity investment to address cybersecurity risk. Microsoft Azure Sentinel is a new cybersecurity logging technology to monitor the Port's information technology environment and will account for approximately \$120,000 of the \$450,000 Azure contract cost.

## C. BACKGROUND

The Port of Tacoma has heavily invested in Microsoft technologies for over 15 years. Microsoft is the most strategic IT supplier to the Port of Tacoma. Microsoft services are industry leading and cost effective through the State of Washington Department of Enterprise Services NASPO ValuePoint Software VAR Contract#: 05116.

The Port has entered into a three-year Enterprise Agreement with Microsoft for IT Services including email, office, database, compute, and cybersecurity services effective 05/01/2021. The Port of Tacoma Commission was provided a briefing memo on the Microsoft agreement on 2/01/2021. The Microsoft Azure Cloud Services is included in the Microsoft Enterprise Agreement to be billed monthly based on service consumption.

**D. FINANCIAL IMPACT**

These costs were included in the 2022 operating budget. This request is to authorize the purchase of these budgeted expenditures.