



City Council Agenda Item Summary Report

Meeting Date: October 3, 2017

Submitted by: Tony Gonzalez

Consent	Public Hearing	Action Item X
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Item Title: Discuss and Consider Approval for entering into an Enterprise Agreement for Microsoft Office365 and Windows Operating System upgrade licenses

How this item ties-in with the City’s Mission, Vision and Values:

Summary Statement

The City is currently out of compliance with Microsoft Licensing. This poses a significant financial risk to the City, should we be audited. The overwhelming majority of computers in the city currently run Windows 7 and need to be upgraded to Windows 10, in order to increase functionality and stay up to date with the latest security and functional updates from Microsoft. Windows 7 stopped receiving mainstream support from Microsoft in 2015 and will be at the end of extended support in 2020. We also have at least 3 different versions of the Microsoft Office Suite currently installed on city computers. This Enterprise Agreement bring us into compliance, allows us to budget accurately for the future in regards to Microsoft products and allows us to bring all city computers up to the same current versions of Windows and Office.

By choosing the Office 365 subscription model, the City is also able to transfer our email service from Google to Microsoft Cloud Services. The annual cost difference between a standard Enterprise Agreement and the Office 365 Enterprise Agreement for the city is less than \$85 annually. In the standard Enterprise Agreement, the city would need to spend additional money for email server hardware, storage, additional software, backup licenses and staff time. If we stay with Google for email services, we would spend approximately \$10,000 in FY18.

This agreement is at an annual cost of \$50,163.06 for 3 years, with a slight decrease if we renew for a second 3 year term at the end of this agreement, depending upon product selection. This agreement provides for the following licenses and quantities:

- Windows Operating System (Upgrade rights) – 150 Licenses
- Office365 Suite Government E3 plan (including email hosting, Skype for Business, SharePoint, Microsoft Teams, eDiscovery and 1TB file storage and sharing) – 150 Licenses
- Exchange Online for Government (Webmail only, no Office license) – 10 Licenses
- Office365 Advanced Threat Protection – 160 licenses
- CoreCal Licenses for Office 365 – 150 Licenses
- Windows DataCenter Server – 16 Core License (This server is for running on-site applications and file sharing and is not directly related to Office 365)
- Visio Professional – 5 Licenses
- Project – 2 Licenses