

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Michael Heslin, Director of Information Technology & Support Services

DATE: October 28, 2025

SUBJECT: Approve Three-year Microsoft Enterprise Renewal Agreement with CDW-G for Microsoft Software Licenses

PREPARED BY: Damion Patrick, Assistant Director of Information Technology & Support Services

RECOMMENDATION: That the City Council:

1. Approve a three-year Microsoft Enterprise Renewal Agreement with CDW-G, in the amount of \$826,475.22 subject to the true-up cost as described in recommendation 2; and
2. Approve 20% of the total contract, in the amount of \$165,295, for true-up cost for the term of the three-year agreement.

BACKGROUND: The City utilizes Microsoft software for its server and desktop operating systems, as well as office applications. The City has previously participated in the Microsoft Enterprise Agreement (EA) program, signing similar agreements in October 2016, November 2019, and October 2022. In each instance, the City Council approved a three-year Microsoft EA, utilizing a Master Agreement through the County of Riverside.

The Microsoft EA is a cost-effective way to purchase software based on the organization's size. It allows the City to efficiently manage its computing environment and optimize licensing expenditures. Renewal of the Microsoft EA also grants the City access to email and other Office applications in the Office 365 cloud.

Staff recommend that the City approve a three-year Microsoft Enterprise Renewal Agreement with CDW-G.

There are no local vendors on the County of Riverside Reseller List.

FISCAL IMPACT: Adequate funds have been budgeted in the Fiscal Year 2025-26 Information Technology Budget. Subsequent years will be subject to budget approval.

ATTACHMENTS:

1. Microsoft Agreement
2. Quote