

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

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

DATE: November 12, 2019

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

PREPARED BY: Paula Crowell, IT Manager

RECOMMENDATION: That the City Council:

1. Approve a three-year Microsoft Enterprise Renewal Agreement with CDW-G, in the annual amount of \$213,419.68, for a total contract amount of \$640,259.04;
2. Approve 20% of the total contract, in the amount of \$128,051.81, for the annual true-up cost for the term of the three-year agreement.

BACKGROUND: The City standardizes on Microsoft products for its desktop and server operating systems/office applications and has previously participated in the Microsoft Enterprise Agreement (EA). In October of 2016, 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, the benefits of Office 365, as well as simplified licensing management. Renewal of the Microsoft EA will provide the City the ability to continue operations, access to email in the Office 365 cloud, and efficiently manage its computing environment and to optimize licensing expenditures.

Staff recommends that the City approve a three-year Microsoft Enterprise Renewal Agreement with CDW-G. This agreement contains the same terms and conditions that are currently part of the City's existing Microsoft Agreement.

In addition, staff recommends that the City approve the 20% of the total contract for the annual True-up cost for the term of the three-year agreement. True-up costs may include additional licenses or software needs over the life of the contract.

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

FISCAL IMPACT: Adequate funds have been budgeted in the Fiscal Year 2019-20 Information Technology Budget. Subsequent years will be subject to budget approval.

ATTACHMENTS:

1. CDW-G Quote
2. Disclosure, Signature and Enrollment Forms