



MEMORANDUM

To: Mayor and City Council

From: Jerod Anderson, Director of Enterprise Solutions

Date: May 4, 2020

Reference: Consider approval to award Contract # DIR-TSO-4092 and enter into an agreement with SHI Government Solutions to purchase Microsoft Enterprise Licensing, in the amount of \$238,615.00, as budgeted; and authorizing the City Manager to sign any necessary documents.

Introduction:

The Microsoft Enterprise Agreement (EA) allows the City of Coppell to use a defined number of licenses for all Microsoft products and perform a true-up at the end of each year. This allows Enterprise Solutions to order new software licenses for each new installation and then doing a mass update at the end of the year. This facilitates the deployment process and reduces the amount of paperwork required to keep track of licenses for compliance purposes.

Analysis:

Through the Microsoft EA, and the associated Subscription Assurance (SA), there are other benefits provided to the City including training vouchers for technical training, reduced pricing for home use of selected Microsoft software, the ability to upgrade or downgrade licenses based on specific needs, and access to Microsoft's TechNet portal for early access to software and problem resolution. If these features were purchased individually, they would cost substantially more than as part of the SA bundle. If we do not extend our Microsoft EA, the City of Coppell will have to purchase licenses for all the Microsoft products that are currently being used at retail prices. This cost for procuring all these licenses would be substantially more than the renewal cost of the EA.

The City of Coppell has been using the Microsoft EA since 2014 and is required to do a new agreement every three years. This will be a three-year agreement with an estimated total cost of \$745,845. Year one includes the Subscription Assurance (SA) fee of

\$238,615 with an estimated true-up of \$10,000 for a total of \$248,615. Year two and three are currently estimated to include the same Subscription Assurance (SA) fee of \$238,615 and \$10,000 estimated true-up costs.

Legal Review:

Agenda item was reviewed by Attorney, M. Shelby Percy on 05/04/2020.

Fiscal Impact:

The purchase is \$238,614.67

Recommendation:

The Enterprise Solutions Department recommends approval.