

CITY COUNCIL REGULAR SESSION

Resolution authorizing the execution of a three-year Microsoft Enterprise Agreement for required Microsoft licenses and subscriptions, with anticipated annual license adjustments that are necessary for the continued and future use of Microsoft products and services by the City, in an amount not to exceed, \$3,672,938 plus all applicable taxes.

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Chelo Picardal, Chief Technology Officer, 452-6106

Information Technology Department

EXECUTIVE SUMMARY

This Resolution authorizes the execution of a purchasing agreement with CDW-G for the City's Microsoft Enterprise Agreement. The Enterprise Agreement licenses the City to use Microsoft products and services on desktop and laptop computers, mobile devices and servers that are essential to the functioning of the organization and serve over 1600 employees and volunteers. The agreement includes operating systems, email, Office products, collaboration tools, communication systems, cloud services and security tools.

RECOMMENDATION

Move to adopt Resolution No. 10244

BACKGROUND/ANALYSIS

The City's Microsoft Enterprise Agreement includes product licenses and service subscriptions purchased through the State of Washington Department of Enterprise Services master contract with Microsoft. The City benefits from the volume license pricing negotiated by the State and receives the same volume discount available to all state agencies, counties, and cities. CDW-G is one of the approved resellers for the Microsoft master contract that the City uses to fulfill its Microsoft Enterprise Agreement. This agreement continues to deliver the best value in purchasing the needed Microsoft products and services for the City.

This new agreement includes the following changes from prior agreements:

- Vendor price increase: Reflects Microsoft licensing pricing increases and includes state-negotiated volume discounts.
- Consolidation: Contains Microsoft server product licensing and cloud subscription services that were previously purchased separately and are now consolidated under this agreement.
- Growth: Includes licenses for new staff and also includes estimated annual 'true-ups' required by Microsoft to adjust for new licenses and cloud increases over the life of the agreement.
- Cyber security upgrades: Incorporates additional security offerings that align with the City's layered security approach to protect sensitive data and critical infrastructure.

The Microsoft Enterprise Agreement provides core functionality to the City and increases security protection. The agreement bundles useful products and services and makes it readily available for all staff to use in execution of daily tasks. Most services are cloud based and enable secure access from anywhere and on any device, which is critical for field and hybrid work.

This purchase is being made through a master contract with the WA Department of Enterprise Services DES)/OMNIA which meets the City's competitive bidding requirements, and where CDW-G is an authorized reseller.

POLICY & FISCAL IMPACTS

Policy Impact

City Council's Two-Year Priorities for High-Performance Government: Identify and implement technologies that improve customer service.

Bellevue City Code 4.28 provides for the fair and equitable treatment of all persons involved in the purchasing process. Council approval is required to award the bid where the cost exceeds \$350,000.

Fiscal Impact

The Information Technology Fund secured the necessary funds to cover these replacements within the 2023-2024 IT Reserve Rates charged to City departments. Year three service costs plus all applicable taxes will be incorporated in subsequent budget processes. The estimated total cost for three years of service will be approximately \$3,672,938, plus all applicable taxes.

OPTIONS

1. Adopt the Resolution authorizing the execution of a three-year Microsoft Enterprise Agreement for required Microsoft licenses and subscriptions, with anticipated annual license adjustments that are necessary for the continued and future use of Microsoft products and services by the City, in an amount not to exceed, \$3,672,938 plus all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

Proposed Resolution No. 10244

AVAILABLE IN COUNCIL LIBRARY

CDW-G Quote – OMNIA Contract #R210401