



Legislation Text

File #: 17-913, **Version:** 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the Award of Cooperative Procurement 17-242, Microsoft Enterprise Agreement Renewal, to CDW-G for an amount not to exceed \$1,438,964.76 and for a three-year contract term.

DEPARTMENT: Information Technology

SUBMITTED BY: Jeff Anderson, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City of Naperville has used an Enterprise Agreement (EA) to license and manage Microsoft software since 2005. The EA is offered through Microsoft and administered by vendors to sell Microsoft products as Microsoft does not sell directly to the public. The State of Illinois holds a Microsoft Large Account Reseller Statewide Master Contract which provides pricing levels on all Microsoft products.

The State Contract is awarded to CDW-Government, a Microsoft Licensing Solutions Partner. Through the State Contract, the City is provided Level D pricing which is comparable to the pricing provided to commercial customers who license 15,000 users or more. The City's current EA was renewed for a three-year term beginning in December 2014 and expires December 31, 2017. Under the EA expiring on December 31, 2017, the City consolidated all Microsoft EA purchases citywide under one contract.

An EA streamlines license management within the City, simplifies purchasing and provides for predictable payments throughout the agreement. Under an EA, the costs for both maintenance and new purchases are spread out over the three years of the contract term. Prices are also locked for the term of the contract. Updates to software are included in the EA at no additional cost through the Microsoft Software Assurance program, which provides for technical support, training and planning services.

DISCUSSION:

The new EA contract will commence on January 1, 2018 and will end on December 31, 2020. This agreement includes the licensing from the previous EA and adds Power BI, Azure Cloud Server and Storage, and Office365 E5 licenses. Power BI allows the City to create actionable dashboards of real-time data across many systems. Examples of the reports that are being generated using Power BI include graphs seen throughout the City's OpenData Portal, Police Department reports and dashboard, Fire Department Incident types as well as TED department permits. Azure Cloud

services have allowed the City to move servers and data storage into the cloud to reduce risk and capital outlays. The addition of the Office 365 E5 licenses for Government will position the City to begin using Skype for Business in 2017.

A State of Illinois Microsoft Large Account Reseller Statewide Master Contract CMS6945110 was identified for this procurement. The award amount will be paid in three annual payments of \$479,654.92 each.

FISCAL IMPACT:

CIP #: N/A

Microsoft Enterprise Agreement Renewal is expensed to the support services account below. The amount below reflects the CY2018 proposed budget, as the contract will begin during that period. A total of \$580,000 has been budgeted for this expense in CY2018. This contract will extend into CY2020 and funding will be made available for the remainder of that period.

Account Number	Fund Description	Total Budget Amount
010-1611-581.30-29	General Fund	\$1,206,610