



City of Keller

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Legislation Text

File #: 20-225, **Version:** 1

To: Mark R. Hafner, City Manager

From: Sean Vreeland, Director of Information Technology

Subject:

Consider a resolution authorizing the City Manager to execute a three-year Microsoft Enterprise Agreement with Software House International, for software licenses, maintenance, and associated upgrades.

Action Requested:

Consider a resolution authorizing the City Manager to execute a three-year Microsoft Enterprise Agreement with Software House International, for software licenses, maintenance, and associated upgrades through the Texas Department of Information Resources Information and Communications Technology Cooperative Contracts Program.

Background:

The City of Keller has standardized products for all operating systems through the use of Microsoft software products, desktop office applications, server operating systems, enterprise databases, and email messaging. The City has increased productivity through the implementation of Microsoft products and has gained efficiency from utilizing a common software vendor. The City currently uses the following Microsoft software products: Microsoft Office (Word, Excel, and PowerPoint), Windows for desktop operating system, Windows Server operating systems, SharePoint collaboration software, Exchange for email messaging, Endpoint Protection anti-virus, Teams for video conferencing, and SQL Server for enterprise database applications.

At the City Council meetings in 2005, 2008, 2011, 2014, and 2017, the City Council approved three-year Microsoft Enterprise Agreement (MSEA) volume licensing contracts for software with Microsoft Corporation for both desktop computers and server software. As a result of those agreements, the City's computer infrastructure has been kept current with the latest desktop operating system, database, email, collaboration, and desktop office software.

The following benefits and value added items result from executing the Enterprise Agreement:

- Simplifies software licensing, license inventory management, and compliance.
- Provides the ability to legally install any Microsoft product at any time, with the City providing a list to Microsoft every twelve (12) months describing any new product installations. The City will then purchase software licenses for new or added machines via a semi-annual "true-up" payment (we closely monitor any new license purchases to manage software cost).

- Provides twelve days of Microsoft certified training classes (estimated value, \$4,000).
- Provides 24x7 phone and internet based support.
- Provides access to the latest Microsoft upgrades at no additional charge.
- Provides simplification of long term software budgeting, while locking in software prices for 3 years

Financial Impact:

The enterprise agreement's yearly cost is \$97,812.70. The total cost over the three (3) year contract term is \$293,438.10

The Texas Department of Information Resources (DIR) has entered into a contractual agreement with Microsoft Corporation on behalf of State and Local governments for software licensing. DIR contracts with Software House International, to manage and facilitate the Microsoft Enterprise Agreements for Microsoft software products for State of Texas agencies and local governments. DIR provides a cooperative purchasing network where all State and local governments can benefit from the collective shared purchasing power.

By participating in the State of Texas' cooperative purchasing program through DIR, the City meets all State and local competitive bidding requirements, while also benefiting from increased buying power through the cooperative purchasing network.

Funding is available from the Fiscal Year 2019-2020 Information Technology Fund. Every department within the city contributes a per computer and user license fee to the Information Technology Fund within their specific fund/department/program office equipment lease budget line item.

Citizen Input/Board Review:

Not applicable

Legal Review:

Not applicable

Alternatives:

City Council has the following alternatives:

- Approve as submitted
- Approve with changes
- Denial

Council Action:

The recommendation is to award the Microsoft Enterprise Agreement to Software House International, at a cost not to exceed \$305,000 over a three-year period and authorizing the City Manager to sign the Microsoft Enterprise Agreement and related documents. The additional \$11,561.90 (\$305,000 - \$293,438.10) will provide a contingency amount that can be used for new Microsoft software, as needed to address future technology requirements.