

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorizing the City Manager to Execute a Three-year Microsoft Enterprise Licensing Agreement Through CDW Government, LLC in the Amount of \$213,804
DEPARTMENT:	Administrative Services
PRESENTED BY:	Sara Lane, Administrative Services Director Karen Mast, IT Manager
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

Staff is requesting City Council authorization for the City Manager to execute a three-year licensing contract with third-party reseller, CDW Government, LLC for Microsoft Enterprise Agreement Level 3 (EA3) licensing. This licensing is to secure continued Microsoft software licensing (SharePoint Online, Office 365, Power Apps, Teams Rooms, Visio and Project) City of Shoreline staff. The total amount of this contract is \$213,804 (\$71,268 annually for three years). The contract will be effective through September 30, 2023.

RESOURCE/FINANCIAL IMPACT:

The total amount of this three-year agreement is (\$213,804) is funded in the Information Technology (IT) budget. This contract represents an increase to the prior contract of \$18,731 annually. The reason for the increase to annual cost is due to growth in the number of Office365, Visio and Project subscriptions, and the City Hall hybrid conferencing improvements. The 2022 IT Operations Budget includes adequate budget funding for this contract due to savings achieved in other areas of IT.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute the licensing agreement with CDW Government, LLC in the amount of \$213,804 to secure Microsoft Enterprise Agreement licensing for a three-year contract period.

Approved By: City Manager **DT** City Attorney **MK**

BACKGROUND

The City uses Microsoft SharePoint, Office 365 (Word, Excel, PowerPoint, Outlook), Visio and Project products for office productivity, file sharing and collaboration. Over time, the City has been moving software to enterprise licensing from purchasing individual software licenses for staff members. This 'software as a service' approach provides access to Microsoft software in the cloud, and ensures that staff always have the most current version of software available and provides additional functionality to users. While the annual cost of licensing is higher, the long-term licensing and administration costs are lower. In 2022, the City upgraded meeting rooms with hybrid conferencing capabilities. This conference room functionality requires additional Microsoft Teams Meeting Room software subscriptions.

DISCUSSION

Staff is requesting City Council authorization for the City Manager to execute a three-year licensing agreement with third-party reseller, CDW Government, LLC for Microsoft Enterprise Agreement Level 3 (EA3) licensing. The total amount of this contract is \$213,804, or \$71,268 annually for three years. The contract will be effective through September 30, 2023. Each year the actual licensing will be reviewed which will generally result in slightly higher or lower annual cost for that year depending on changes in the number of staff that accesses SharePoint and Office products.

The higher than anticipated increase in this agreement is due to an unusually high increase in licenses, including accommodating new positions added to the City and upgrades to City Hall conference rooms. Staff does not expect this level of change on an annual basis.

RESOURCE/FINANCIAL IMPACT

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RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute the licensing agreement with CDW Government, LLC in the amount of \$213,804 to secure Microsoft Enterprise Agreement licensing for a three-year contract period.

ATTACHMENTS

Attachment A - CDW-G Enterprise Software Licensing Quote for City of Shoreline



CDW Government, LLC
Microsoft Enterprise 6.6 Agreement Pricing

Attachment A

Date 10/4/22
Account Manager Mike S

**Enterprise Quote
for**

VSL Specialist Pat McCormack
Channel Price Sheet Month Sep-22

City of Shoreline, WA

Unless otherwise noted, All Quotes expire upon current month's end

Annual Payment

Customer to make three annual payments to CDW-G

Microsoft Part #	Description	Level	Quantity	Year 1		Year 2		Year 3	
				Price	Extended	Price	Extended	Price	Extended
U4S-00002	O365 G1 GCC Sub Per User	D	55	\$ 89.24	\$ 4,908.20	\$ 89.24	\$ 4,908.20	\$ 89.24	\$ 4,908.20
AAA-11894	O365 G3 GCC Sub Per User	D	246	\$ 248.58	\$ 61,150.68	\$ 248.58	\$ 61,150.68	\$ 248.58	\$ 61,150.68
T2N-00001	O365 G5 GCC Sub Per User	D	6	\$ 429.37	\$ 2,576.22	\$ 429.37	\$ 2,576.22	\$ 429.37	\$ 2,576.22
SEL-00001	PowerAppsPlanGCC ShrdSvr ALNG SubsVL MVL PerUsr	D	1	\$ 225.98	\$ 225.98	\$ 225.98	\$ 225.98	\$ 225.98	\$ 225.98
MQH-00001	Teams Rooms Standard GCC Sub Per Device	D	10	\$ 144.06	\$ 1,440.60	\$ 144.06	\$ 1,440.60	\$ 144.06	\$ 1,440.60
P3U-00001	Visio P2 GCC Sub Per User	D	2	\$ 144.06	\$ 288.12	\$ 144.06	\$ 288.12	\$ 144.06	\$ 288.12
076-01912	Project Standard ALng SA	D	5	\$ 135.46	\$ 677.30	\$ 135.46	\$ 677.30	\$ 135.46	\$ 677.30
				Year 1 Total	\$ 71,267.10	Year 2 Total	\$ 71,267.10	Year 3 Total	\$ 71,267.10
				Three Year Total	\$ 213,801.30				

Notes

Renewal quote for EA #: 6792053 - Expires 9/30/22

Contract: KCDA

NO Tax referenced

Terms & Conditions

Terms and Conditions of sales and services projects are governed by the terms at:

<http://www.cdwg.com/content/terms-conditions/product-sales.aspx>