



Report to City Council

TO: Mayor and City Council

FROM: Brian Mohan, Acting Assistant City Manager

AGENDA DATE: April 6, 2021

TITLE: APPROVAL OF MICROSOFT 365 CLOUD LICENSING AGREEMENT

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Approve Microsoft 365 cloud licenses agreement for three-years, utilizing the County of Riverside Microsoft Enterprise Licensing Master Agreement for a savings of \$12,000.
2. Authorize the City Manager to execute agreement and any related documents required.

SUMMARY

In an effort to enhance mobility, disaster preparedness, support City services to the public and strengthen the City's cyber security initiatives, moving to the Microsoft 365 Cloud platform meets these initiatives. The cloud platform provides the City these enhancements and slightly reduces our costs over the three-year license agreement compared to our current Microsoft licensing agreement. The new agreement will "piggyback" off the County of Riverside's Microsoft Enterprise Licensing Agreement administered by Dell, Inc., a Microsoft Large Account Reseller.

DISCUSSION

The City currently has a Microsoft Enterprise Licensing Agreement, which is based on an "on-site" platform. This means the software and data reside on local servers, which is not an efficient means of deploying software and data in today's technology age.

Transitioning to the Cloud platform positions the City to benefit from the next generation of Microsoft platform products seamlessly through ownership of Software Assurance.

The new agreement provides for the maintenance and support of Microsoft server operating system, client access, and cloud subscription licenses to provide employees with applications, data, collaborative tools, and continued corrective, security, and enhancement updates to the City's existing technology environment in an annual amount not to exceed \$141,790 (\$123,295 plus a 15% contingency) for each of the next three years (May 1, 2021 through April 30, 2024). This cost is less than city's current contract at \$4,000 per year. The new agreement utilizes the County of Riverside's Microsoft Enterprise Agreement (a cooperative purchasing agreement used by hundreds of public agencies across California) and identifies Dell, Inc., a Microsoft Large Account Reseller, as the administrator of the agreement.

Specifically, this maintenance agreement ensures that the City has access to the latest version of the software and that technical support is available. This reduces the required level of staff support and enables software upgrade decisions to be made based on technical considerations, deployment plans and staffing availability. Also, more products and services become automatically available within the new Enterprise Agreement. Examples of such software products are Teams, a collaboration environment; OneDrive for file storage and sharing; SharePoint Portal Services (SPS), a collaboration-based web portal product; and Systems Center, a product which automates inventory of software and hardware, automates deployments, and allows for remote desktop support.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative is recommended by staff.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *Staff does not recommend this alternative.*

FISCAL IMPACT

Funds for this software lease agreement will be available in the Technology Services budget over the next three-years.

NOTIFICATION

Publication of the agenda.

PREPARATION OF STAFF REPORT

Prepared By:
Steve Hargis
Strategic Initiatives Manager

Department Head Approval:
Brian Mohan
Acting Assistant City Manager/Chief Financial Officer/City Treasurer

CITY COUNCIL GOALS

Revenue Diversification and Preservation. Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

CITY COUNCIL STRATEGIC PRIORITIES

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life
6. Youth Programs

ATTACHMENTS

None

APPROVALS

DRAFT