STAFF REPORT
REGULAR MEETING

AGENDA DATE: October 20, 2026 **DEPARTMENT:** Information Technology

TITLE:

Microsoft Enterprise Agreement Contract Renewal

SUMMARY:

Approve and authorize signature for the renewal of a three-year enterprise agreement between Microsoft Corporation and the City of Lake Worth Beach for Microsoft Office 365, SQL software licensing, Visio Pro licensing, and Microsoft Azure Subscription for cloud backup, through CDW-Government, supplier for Microsoft Software under master agreement OMNIA Mesa 2024056-01 (2024056-01).

BACKGROUND AND JUSTIFICATION:

The City of Lake Worth is currently using Office 365 for word processing, spreadsheets, databases, and general automation, Visio Pro used to conceptualize ideas visually, Office 365 and Exchange Server for email services, SQL for database server services and Microsoft Azure for cloud backup.

The renewal of our enterprise agreement guarantees the maintenance of our current licenses through software assurance which provides 24x7 support, the latest software releases, deployment planning services, enhanced technical capabilities, end-user and technical training, and home use. Furthermore, it will continue to help standardize IT and simplify license management.

The annual cost for the Microsoft Enterprise Agreement Licensing (EAL), which includes Microsoft 365 Government, Azure, Server Licensing and Visio Professional, is $103,428. This amount excludes any additional licenses that may need to be purchased throughout the year to maintain licensing compliance, estimated at approximately $10,000 annually. Microsoft Azure subscription costs are usage-based and vary depending on the amount of storage consumed. The estimated Azure subscription cost is $50,000 annually for FY 2027, FY 2028, and FY 2029.

MOTION:

Move to approve/disapprove the renewal of a three-year agreement with Microsoft Corporation.

ATTACHMENT(S):

Fiscal Impact Analysis
Renewal Agreement FY2027- FY2029
Renewal Quote

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	**2027**	**2028**	**2029**	**2030**	**2031**
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	$163,428	$163,428	$163,428	0	0
Operating	0	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact *(If not budgeted)*	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Information Technology
Division	Information Technology
GL Description	Operating Supplies / Computer Software
GL Account Number	510-1520-519.52-65
Project Number	N/A
Requested Funds	$163,428
Remaining Balance	$955,769.93
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Current Revenue