

**To: Mayor and Town Council**

**From: Leigh Johnson, Director of Information Technology**

**Through: Mario Canizares, Town Manager  
Bob Scott, Deputy Town Manager**

**Re: Microsoft Enterprise Agreement Renewal**

**Town Council Meeting – December 9, 2025**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

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**Agenda Item:**

Consider and act upon approving a renewal to a Microsoft Enterprise Agreement, from SHI Government Solutions, Inc., through a Texas Department of Information Resources (DIR) Purchasing Contract for \$419,721; and authorizing the Town Manager to execute all related documents for the same.

**Description of Agenda Item:**

On or about September 27, 2022, the Town Council approved the establishment of a Microsoft Enterprise Agreement (MSEA) with a term of three years. The current agreement expired on September 26, 2025. At the end of fiscal year 2025, staff worked with Microsoft and SHI to extend the anniversary date to October 31, 2025, so that it aligns better with the fiscal year start. Upon approval of this item, the Town will enter into another three-year MSEA term and will be billed annually based on the size of staff and infrastructure at the time of billing. The MSEA pricing is calculated annually and is not affected by mid-year staffing or infrastructure changes until the following year, when any increases are applied to the next annual payment.

**Budget Impact:**

The FY 2025-2026 cost of the agreement is \$139,907 and the full cost of the three-year contract is \$419,721. Subsequent annual expenditures will be subject to appropriations granted in future fiscal years.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

**Attached Documents:**

1. SHI quote
2. Microsoft Enterprise Agreement Renewal

**Town Staff Recommendation:**

Town Staff recommend the Town Council approve a renewal to a Microsoft Enterprise Agreement, from SHI Government Solutions, Inc., through a Texas Department of Information Resources (DIR) Purchasing Contract for \$419,721; and authorizing the Town Manager to execute all related documents for the same.

**Proposed Motion:**

I move to approve a renewal to a Microsoft Enterprise Agreement, from SHI Government Solutions, Inc., through a Texas Department of Information Resources (DIR) Purchasing Contract for \$419,721; and authorizing the Town Manager to execute all related documents for the same.