



Subject: Microsoft Agreement and Online Services

Report to: Thorold City Council

Recommendations

1. That the Mayor and City Clerk **BE AUTHORIZED** to execute the necessary agreements.
2. That Staff **BE AUTHORIZED** to purchase Microsoft Products & Services under these agreements up to already approved budget of \$50,000 for 2024

Key Facts

- The City requires upgrading several Microsoft software packages for compatibility, support, and modernization purposes
- The City is able to leverage pre-negotiated rates by Ontario's Ministry of Public and Business Service Delivery.

Budgetary Status

- 2024 portion to be funded from the MS Office Software upgrade capital budget of \$50,000
- Subsequent years to be included in operating budget

Analysis

As part of the capital budget in 2022, City Council authorized a capital project to upgrade the City's Microsoft Office suite of products. Microsoft offers this product on two primary licensing models, a one-time purchase perpetual license or included as a subscription bundle known as Microsoft 365, which includes Office as well as many other Microsoft products. In 2023 Microsoft announced that their Microsoft Exchange Server, which is the email system that the City uses, going forward would have new versions only be available to customers purchasing subscription services for that product and set an end of support date for the City's current version in 2025. As email is a critical system for the City, it necessitates an upgrade before going out of support.

Given this required upgrade and the need to purchase subscription services for it as well as the planned Office suite upgrade, City staff identified that it would be more advantageous to move both items to the Microsoft 365 bundle as it includes both items as well as many other additional pieces of software that are desired by staff to be available to them, including software to build an Intranet site, which is identified as a goal in the City's Strategic Plan. This bundle will also replace additional software packages in subsequent years and result in some cost eliminations.

The Province of Ontario's Ministry of Public and Business Service Delivery (PBSD) has a Microsoft agreement in place which allows Ontario municipalities of a certain size to enter into their own agreement with Microsoft and leverage the pricing which PBSD has negotiated with Microsoft allowing the City to access a discount level that we would otherwise not be access on our own. Therefore, Staff are recommending that the City leverage PBSD's agreement which requires the City to enter into a Microsoft Enterprise Agreement which names CDW Canada as the Microsoft licensing partner.

Impact on the Environment, Climate Change

There are no known environmental or climate change related impacts to this Report.

Relationship to Strategic Plan

- Service Delivery Excellence
 - Service Modernization

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