

If this item is pulled from the consent agenda the following motion would be in order:

## **POSSIBLE MOTION**

**I move** to approve and enter into a Professional Services Contract with Microsoft to host the City and Borough of Sitka email system as well as standardize Microsoft software across the city.

*Note: Funds are available this fiscal year with plans to appropriate adequate funding in FY'17, 18. Additionally, this was a recommendation that came out of the Municipal Solutions Efficiency Audit and Comprehensive Management Plan.*




# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

**To:** Mayor McConnell and Assembly Members  
Mark Gorman, Municipal Administrator

**From:** Ronald Duvall, Information Technology Director 

**cc:** Jay Sweeney, Chief Financial Administrative Officer

**Date:** February 18, 2015

**Re:** Microsoft Enterprise Agreement Purchase

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## **Background**

Over the past four months I have been working on solutions for standardizing the City and Borough of Sitka's (CBS) email system and Microsoft software. Currently CBS is operating two types of hosted email systems, three quarters of CBS emails are on a POP3 server and the other quarter are on an Exchange server. This combination is causing inefficiencies and confusion as to what functions are available to which employee. Secondly, the process of purchasing and installing Microsoft software has left the City with many versions to manage, maintain, and keep secure as well as a risk of being out of compliance with Microsoft Licensing, which could leave the CBS financially responsible in the future.

## **Analysis**

The Microsoft Enterprise Agreement will be purchased using the Western States Contract Alliance (WSCA) pricing. This tactic will allow the CBS to take advantage of the large quantity of licenses that the State of Alaska has purchased and gives the CBS a large discount on pricing. The advantages of a Microsoft Enterprise Agreement are:

- Email Hosting
  - Guaranteed 99.9% uptime, financially backed service level agreement
  - IT-level web support and 24/7 phone support for critical issues
  - Active Directory integration to easily manage user credentials and permissions
  - World-class data security
  - Shared online calendars
- The Enterprise Agreement is a 3 year term that will host our email and guarantee us the latest version of Microsoft Software.
- This will improve efficiencies by guaranteeing all CBS employees are on the same email and software platform.
- Partnering with the State of Alaska for purchasing power, this will save CBS \$26,000 a year.
- The direct cost to the CBS will be \$74,715 per year over the next 3 years

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The Microsoft Enterprise Agreement directly relates to suggestions made in the General Fund Efficiency Audit & Comprehensive Management Plan produced by Municipal Solutions. Specifically the Information Systems Analysis Sections on Software and Security.

To enter into this Microsoft Enterprise Agreement, the Assembly must pass a motion in accordance with Sitka General Code 3.16.020.

**Fiscal Note**

The funds are available this fiscal year with appropriations for FY2017 and FY2018 being included those supplemental budget ordinances. It is important to begin the projects (email standardization and desktop security) related to the Microsoft Enterprise Agreement as soon as possible. These projects will provide immediate benefits to the efficiencies of CBS employees, our interactions with the public, and the security of public data.

**Recommendation**

My recommendation is to enter into an Enterprise Agreement with Microsoft to host the CBS email system as well as standardize all Microsoft software across the City.