

**RESOLUTION AUTHORIZING THE CITY OF WINSTON-SALEM TO ENTER INTO A NEW
MICROSOFT ENTERPRISE LICENSE AGREEMENT WITH SHI INTERNATIONAL CORPORATION.**

WHEREAS, a strategic decision was approved by the Mayor and City Council in 2008 to establish a three-year Enterprise Agreement (EA) with Microsoft based upon the long-term cost savings that could be achieved by extending the agreement across multiple years and eliminating the need to repurchase software as new versions are released; and

WHEREAS, this strategy was carried forward in 2011 and every three years since then by Council's renewal of the agreement which resulted in savings to the City; and

WHEREAS, the Microsoft platform provides access to secure network services, email, and business software licensing for all city employees that can be accessed from any approved device or location; and

WHEREAS, Microsoft's subscription-based pricing model provides flexibility for the City's business needs; and

WHEREAS, the existing Microsoft Enterprise Agreement will expire on February 28, 2026; and

WHEREAS, the new Enterprise Agreement incorporates significant enhancements and upgrades for all City employees including advanced cybersecurity protections, enhanced data governance features, and access to AI-driven data analytics and business intelligence tools; and

WHEREAS, the Microsoft Enterprise Agreement will be purchased by leveraging the North Carolina Department of Information Technology (NC DIT) state contract, ensuring competitive pricing and compliance with state and local procurement requirements; and

WHEREAS, SHI International Corporation is the HUB Certified Minority/Women Business Enterprise vendor that was awarded the NC DIT state contract and will therefore manage the City's Microsoft Enterprise agreement; and

WHEREAS, the estimated three-year contract amount is \$3,965,406 with a first-year payment not to exceed \$1,182,000; and

WHEREAS, the payments for years two and three may be adjusted based upon changes in use of the software or number of City employees; and

WHEREAS, the estimated cost for year two is \$1,296,250 and \$1,487,156 for year three; and

WHEREAS, funding for the first year of the agreement is included in the FY 25-26 Information Technology Department's operating budget.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Winston-Salem authorize the City Manager to enter into an agreement with SHI International Corporation for a Microsoft Enterprise Agreement with a first-year cost of \$1,182,000 and total estimated three-year cost of \$3,965,406.

BE IT FUTHER RESOLVED that the City Manager is hereby authorized to execute the agreement on behalf of the City.