



City of Winston-Salem City Council
Council Agenda Item Summary

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| Title | Resolution to Approve a Contract with SHI International Corp. for a New Microsoft Enterprise Agreement |
| City Council Committee | Committee of the Whole |
| Meeting Date | January 12, 2026 |
| Staff Lead (Presenter) | Tom Kureczka, Chief Information Officer |
| Department Head | Tom Kureczka, Chief Information Officer |
| City Manager/ACM | Dr. Angel Wright-Lanier, ACM |

Agenda Item Summary

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| Recommended Council Action | Resolution Approval |
| Suggested Action/ Motion Options | I move to approve adoption of the Resolution to approve a contract with SHI International Corp. for a Microsoft Enterprise Agreement |
| Strategic Focus Area | Good Government |
| Strategic Plan Objective | GG1: Delivering Efficient and Effective Core Services |
| Anticipated Fiscal Impact | Fiscal Impact Anticipated: See Analysis in Summary |

Summary of Information

The City of Winston-Salem has maintained a strategic Enterprise Agreement (EA) with Microsoft since 2008, ensuring long-term cost savings, streamlined software management, and continuous access to business-critical services including secure hosted email with archiving and legal hold, cloud-based data center services, operating system licensing for computers, servers, and database systems, and business software licensing used by all City staff. The three-year agreement has continually evolved over time to include enhanced cybersecurity protections, subscription-based licensing, and improved support for the City's mobile workforce through cloud-based services that can be accessed from any approved device. The Microsoft Enterprise Agreement was expanded in 2023 to include 1265 Public Safety staff that were previously using limited versions of Microsoft licensing, ensuring that all City staff now have access to the same licensing and services.

The existing Microsoft Enterprise Agreement will expire on February 28, 2026. The new agreement will incorporate significant enhancements and upgrades for all City staff to include advanced cybersecurity protections, enhanced data governance features, and access to AI-driven data analytics and business intelligence tools.

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. SHI International Corporation is the HUB Certified Minority/Women Business Enterprise (MWBE) vendor that was awarded the NC DIT state contract and will therefore manage the City's Microsoft Enterprise Agreement.

It is recommended that the City enter into a new Enterprise Agreement with Microsoft. The agreement will be administered by SHI International Corp. for three years to include software subscription licenses, cloud-based data center services, on-premise network and data center access licenses, software licenses for specialty applications, and operating system licenses for endpoint devices, application databases, and servers. The agreement allows the City to adjust the quantity of subscription licensing annually based upon current business needs.

Analysis of Fiscal Impact

The estimated three-year contract amount is \$3,965,406, with a first-year payment not to exceed \$1,182,000. Estimated cost for year two is \$1,296,250.00, and \$1,487,156 for year three. Second and third-year costs may fluctuate based on changes in the use of the software or the number of City employees. The current cost of the agreement is approximately \$1,000,000 annually. Over the three-year contract period, the estimated resources required for this agreement will increase by approximately \$966,000 from the current amount. Funding has been requested as part of base budget requirements for the fiscal year 2026-27 by the Information Technology department for next year.

Attachments

- Resolution

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| Committee Action | COW 1/12/2026 |
| For: | Against: |
| Remarks: Unanimous Approved | |