



**City of Racine, Wisconsin**  
**Agenda BRIEFING MEMORADUM**

**AGENDA DATE:**

March 4, 2025 – Common Council  
March 10, 2025 – Finance and Personnel  
March 18, 2025 – Common Council

**SUBJECT:**

Communication sponsored by Alder Horton, requesting permission to enter into a three-year contract, 2025068 with Microsoft Corporation to purchase Microsoft 365 G3 and Defender for Endpoint.

**PREPARED BY:**

Adele Edwards, Chief Information Officer

**EXECUTIVE SUMMARY:**

The Management Information Services (MIS) Department is requesting authorization to enter into a three-year contract with Microsoft Corporation to purchase Microsoft 365 G3 and Defender for Endpoint. The purchase will be made under an existing state contract with CDW #505ENT-M23-NASPOSVAR-01.

**PROJECT BACKGROUND & ANALYSIS:**

The City of Racine has used Microsoft products for over 20 years, including Office (Word, Excel, PowerPoint, etc.), Outlook email, and Exchange Server (email and calendaring server). Over 30 different products are sold in three different groups across six (6) different sales packages. Microsoft is the only company that makes these products, though there are similar products on the market (for example Google). While a move to a different product was considered, the cost to train city staff and implement new software would be prohibitive.

In 2022, the MIS department worked with Microsoft and a reseller to understand the complexities of the options. MIS assessed what the city currently pays for, uses, plans to use, and how quickly MIS expects to be able to implement any new software. MIS discussed the city's need for security and best practices.

Our current three (3) year contract is up for renewal. The city currently pays for M365 G3 and a few other software that are purchased A La Carte. As a large (over 500 personal computers) stable organization, the city has purchased Microsoft's Enterprise Agreement. It is a volume licensing package offering pricing discounts (15% or more), Software Assurance (giving us access to the latest software at no additional cost, planning services, training, and 24/7 technical support), annual payments (contract is 3 years), and other benefits.

MIS recommends the City of Racine maintain our current licensing structure with 25 additional user licenses to accommodate seasonal and temporary staff. This will allow the city to maintain access to all the software currently in use.

**BUDGETARY IMPACT:**

This is a three-year contract with a cost of \$324,318.23 per year totaling \$972,954.69. Funds for the first year are available in account #70113-57800 for FY 2025 and costs for subsequent years will be appropriated during the annual budget process.

**RECOMMENDED ACTION:**

The Mayor and City Clerk be authorized to execute and sign a contract, 2025068 with Microsoft Corporation to purchase Microsoft 365 G3 and Defender for Endpoint.