



CITY OF  
**CORPUS CHRISTI**

**AGENDA MEMORANDUM**

Action Item for the City Council Meeting June 23, 2026

**DATE:** June 23, 2026

**TO:** Peter Zaroni, City Manager

**FROM:** Peter Collins, Director of Information Technology  
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**Microsoft Enterprise License Agreement Renewal**

**CAPTION:**

Motion authorizing execution of a three-year cooperative agreement with Software One, Inc., of Milwaukee, WI, through the TIPS Purchasing Cooperative, in the amount of \$4,263,262.62 for renewal of the City's Microsoft Enterprise software licenses, with FY 2026 funding of \$1,421,087.54 from the Information Technology Fund.

**SUMMARY:**

This renewal of the Microsoft Enterprise licensing agreement is for three years in an amount not to exceed \$4,263,262.62. This agreement covers user licenses, premier support, database licenses, security, disaster recovery, business continuity, and the virtualization of systems and applications.

**BACKGROUND AND FINDINGS:**

The Microsoft Enterprise License Agreement supports the Information Technology Department's ongoing goal of equipping City staff with the essential tools for efficient, effective productivity. This agreement positions the City to leverage the most current Microsoft technologies and maintain a modern, secure, and reliable technology environment.

Approval of this new three-year contract provides continued access to the Microsoft Office 365 suite, including hosted email and integrated applications such as Microsoft Outlook and Microsoft Word. It also covers critical infrastructure licensing, including Microsoft Database Server, Windows Network Server, and user authentication licenses. In addition, the agreement

includes enhanced security features to protect City email accounts and data, as well as specialized government-grade products vital to daily City operations.

**PROCUREMENT DETAIL:**

This procurement is through the TIPS Purchasing Cooperative. Contracts awarded through the TIPS Purchasing Cooperative have been vetted and comply with the competitive Texas procurement regulations. This is possible because Texas Local and State law allows government entities to use cooperative purchasing programs that have already completed the required competitive bidding process.

The savings on the TIPS Cooperative for this license renewal is 21% off the retail price, totaling \$308,271.26.

**ALTERNATIVES:**

There is no viable alternative. Failure to renew the Microsoft Enterprise License Agreement would immediately disrupt City operations by eliminating employee access to essential Microsoft services, including email, word processing, and other core productivity and infrastructure tools.

**FISCAL IMPACT:**

In FY 2026, the fiscal impact from the Information Technology Fund is \$1,421,087.54, with future years budgeted through the annual budget process.

**FUNDING DETAIL:**

Fund:	5210 Information Technology Fund
Organization/Activity:	40420 IT Infrastructure & Network Service
Project # <b>(CIP Only)</b> :	
Account:	520105 Computer Software
Amount:	\$1,421,087.54

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing this license agreement for Microsoft products with Software One, Inc., as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Software One, Inc. Agreement  
Price Sheet