

Business Item

Management Committee



Committee Meeting Date: March 12, 2025

For the Metropolitan Council: March 26, 2025

Business Item: 2025-75

Microsoft Enterprise Licensing and Cloud Renewal, Contract 25P051

District(s), Member(s):	All
Policy/Legal Reference:	FM 14-2, Expenditures for the Procurement of Goods, Services, and Real Estate Policy; Minn. Stat. § 471.345
Staff Prepared/Presented:	Gretchen White, Chief Information Officer, Information Services (IS), 651-602-1443
Division/Department:	Regional Administration/Information Services

Proposed Action

That the Metropolitan Council (“Council”) authorize the Regional Administrator to negotiate and execute contract 25P051 with SHI International for Microsoft licenses and support of Windows, Office 365, SharePoint and Azure cloud services for a total contract amount not to exceed \$32,500,000.

Background

The IS Department is currently negotiating a three-year renewal of the Microsoft Enterprise Agreement with SHI International for Microsoft licensing and Azure services in an amount not-to-exceed \$32,500,000. The licensing under this renewal includes all Microsoft Tools and Applications such as server operating systems, Office 365 products, SQL server databases, and SharePoint. It additionally includes the Azure cloud platform that offers a variety of services to help build, run, and manage applications, and supports the Council’s goal of migrating more systems to the cloud. Approximately \$18.2M of the \$32.5M is specifically to cover the costs of Azure cloud services.

The term of renewal is May 1, 2025, to April 30, 2028. To procure the software and cloud products, the Council will utilize State of Minnesota Contract Release S-1079(5) which is a multi-vendor cooperative agreement for purchasing software through resellers. The Council has statutory authority under Minnesota Statutes §471.345 to utilize such cooperative service agreements.

Rationale

The execution of a contract with value exceeding \$500,000 requires approved by the Council.

Thrive Lens Analysis

This action advances the Thrive outcome of Stewardship and Sustainability by ensuring reliability, resilience, security and cost-effectiveness of the Council’s computers, servers and cloud services.

Funding

Funding for this enterprise agreement is included in the Information Services operating budget.

Small Business Inclusion

The Office of Equity and Equal Opportunity did not review for, or establish a Metropolitan Council Underutilized Business (MCUB) goal as this contract will be procured utilizing a state contract as listed above.

