



AGENDA MEMORANDUM

*Information Technology
Department*

City Council Regular Meeting Date: June 2, 2026

To: City Council
From: Bert Smith, IT Director
Date: May 18, 2026

SUBJECT: Approval of Microsoft Cloud Annual Subscription Renewal

BACKGROUND: The City utilizes significant Microsoft Cloud services for email, data storage, user authentication and other security needs. The past agreement was a three year “Software Assurance” service which is also referred to as an Enterprise Agreement (“EA”). The current EA agreement is with Insight and terminates August 2026. There is also another service model provided by Microsoft called the Cloud Service Provider (“CSP”).

Pursuant to Sanibel Code section 2-332(k), competitive sealed bids are not required for IT services; however, we did solicit and review several Microsoft partners for the renewal of these services offering both options as shown in the table below.

PRICING:

Microsoft Partner	Service Category	Service Term	Cost
Software House	Enterprise Agreement (EA)	N/A	\$113,457
Insight (current provider)	Enterprise Agreement (EA)	3 year	\$120,638
Blue Mantis	Cloud Service Provider (CSP)	1 year	\$95,586
Trusted Tech	Cloud Service Provider (CSP)	1 year	\$ 83,579

We recommend proceeding with Trusted Tech as Insight's replacement, on an annual basis. We are also moving from a static three-year EA agreement to an annual CSP agreement, and this is a sales order rather than a full contract.

This benefits the City because, as our agreement with Insight progressed, we began experiencing delays in price quotes and service change requests. While this was very inconvenient, it did not rise to the level of a breach of contract. If similar issues occur with Trusted Tech, we can easily switch to another Partner at the annual renewal.

Trusted Tech will be able to provide these services at a discount in advance of Microsoft’s July price increases if order approval is submitted before June 19, 2026. This will result in savings of approximately \$9,000 for the first year.

Sanibel is and shall remain a barrier island sanctuary

FUNDING SOURCE: The funding for these services is included in the fiscal year 2026 adopted budget.

RECOMMENDED ACTION: Staff recommends that the City Council authorize the City Manager to execute a sales order with Trusted Tech in the amount of \$83,579.