

are what you are allowed to operate. When they become outdated, you must purchase them again.

The RDN is currently enrolled in a three-year ELA with Microsoft which provides the ability to upgrade to newer versions of software whenever required for a set annual cost. The current ELA expires June 28, 2019. Staff recommend entering into a new three-year agreement with Microsoft. If the RDN does not renew the ELA, the RDN must pay full licence costs for any upgrades which may be required, which would increase our costs and complicate administration of our software licencing. The annual cost of the ELA with Microsoft for software is built into the RDN's departmental operational budgets.

ALTERNATIVES

Provide alternative direction to staff.

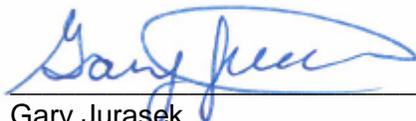
FINANCIAL IMPLICATIONS

The cost of the Microsoft ELA is \$146,375 per year for three years. The three-year total is \$439,125. Our costs have increased by approximately 20 percent overall due to a combination of additional users and services being added to our organization and Microsoft increasing their licencing costs.

Alternative - If the Board does not renew the Microsoft ELA, the cost of operating without an agreement would exceed \$757,421 to repurchase the software upon upgrading. Assuming one upgrade within three years of the agreement will be required, the annual cost would average \$252,473. This would result in a substantial yearly increase to the RDN's operational budget of \$106,098. It is not unlikely that more than one upgrade could be required within the three-year period. It should be noted that the calculations are based on 2018 licenced staff numbers, and the \$106,098 is a conservative number.

STRATEGIC PLAN IMPLICATIONS

Growth Management: Provide effective regional land use planning and responsible asset management for both physical infrastructure and natural assets.



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Reviewed by:

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