



VIRGINIA RAILWAY EXPRESS  
OPERATIONS BOARD

**Agenda Item 10-B**  
**Action Item**

**To: Chair Bohmke and the VRE Operations Board**

**From: Rich Dalton**

**Date: July 19, 2024**

**Re: Authorization to Amend VRE's Microsoft Volume Licensing Agreement**

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**Recommendation:**

The VRE Operations Board is asked to authorize the Chief Executive Officer to amend the agreement with Microsoft Corporation of Redmond, WA for Microsoft Volume Licensing in the amount of \$100,000. This will increase the authorization for this agreement from \$556,557 to a total amount not to exceed \$656,557.

**Summary:**

The current Volume Licensing Agreement for all Microsoft licenses executed by VRE in March 2022 will expire in March 2025. Over the past twenty-seven months, more user licenses than originally anticipated for various Microsoft 365 applications were required to accommodate additional staff members, and additional Azure cloud-based service offerings that replaced on-premises systems were purchased. This amendment will allow VRE to continue providing Microsoft licensing and cloud-based services through March 2025.

**Background:**

VRE uses Microsoft software for servers, workstations, and other applications and services. The Microsoft Volume Licensing Agreement provides multiple Microsoft product licenses and software assurances for VRE without purchasing multiple copies of software media and documentation provided with the software. This allows VRE to maintain proper licensing for all Microsoft products.



Northern Virginia  
Transportation Commission  
2300 Wilson Blvd., Suite 230  
Arlington, VA 22201  
703-524-3322



Virginia Railway Express  
1500 King Street, Suite 202  
Alexandria, VA 22314  
703-684-1001  
VRE.org



Potomac and Rappahannock  
Transportation Commission  
14700 Potomac Mills Road  
Woodbridge, VA 22192  
703-580-6121

Additionally, the Microsoft Volume Licensing Agreement provides the mechanism required to utilize Microsoft Azure cloud-based services as VRE moves towards a hybrid cloud infrastructure to provide increased innovation, resiliency, and disaster preparedness.

A 3-year Microsoft Volume Licensing Agreement was established in March 2022, following receipt of Operations Board authorization in February 2022, through a Virginia Information Technologies Agency (VITA) statewide contract. Over the past twenty-seven months, more user licenses than originally anticipated for various Microsoft 365 applications were required to accommodate additional staff members, and additional Azure cloud-based service offerings that replaced on-premises systems were purchased. This amendment to increase the contract authorization for this agreement is needed to allow VRE to continue providing Microsoft licensing and cloud-based services through March 2025.

**Fiscal Impact:**

The FY 2025 operating budget for Information Security and Technology – Software Licensing and Maintenance includes funding for this activity.

**Virginia Railway Express  
Operations Board Resolution**

**10B-07-2024**

**Authorization to Amend VRE’s Microsoft Volume Licensing Agreement**

**WHEREAS**, Microsoft software products and a hybrid cloud infrastructure are necessary for innovation, resiliency, and disaster preparedness; and,

**WHEREAS**, VRE's Microsoft Volume Licensing Agreement was established through a Virginia Information Technologies Agency (VITA) statewide contract in March 2022 and will expire in March 2025; and,

**WHEREAS**, the Microsoft Volume Licensing Agreement provides the mechanism required to utilize Microsoft software products and Azure cloud-based services; and,

**WHEREAS**, an amendment to increase the contract authorization for this agreement is needed to allow VRE to continue providing Microsoft licensing and cloud-based services through March 2025 as more user licenses than originally anticipated for various Microsoft 365 applications were required to accommodate additional staff members, and additional Azure cloud-based service offerings that replaced on-premises systems were purchased;

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Virginia Railway Express Operations Board does hereby authorize the Chief Executive Officer to amend the agreement with Microsoft Corporation of Redmond, WA for Microsoft Volume Licensing in the amount of \$100,000. This will increase the authorization for this agreement from \$556,557 to a total amount not to exceed \$656,557.

Approved this 19<sup>th</sup> day of July 2024

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Meg Bohmke  
Chair

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Ralph Smith  
Secretary