



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: AUGUST 20, 2024
DEPARTMENT: FINANCE DEPARTMENT
FROM: SELINA ANDREWS, ACTING FINANCE DIRECTOR
BY: CARLOS ORTEGA, IT DIVISION MANAGER
TITLE: MICROSOFT OFFICE 365 GOVERNMENT G3 LICENSE RENEWAL

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager and Purchasing Agent to complete the purchase of Microsoft Office 365 Government G3 license renewal from Dell, LP., in an amount not to exceed \$289,163.76.

EXECUTIVE SUMMARY:

Approval of the Resolution will allow the City to continue to provide, maintain, and support various technology programs and platforms for City departments. This renewal is year two (2) of a three (3) year agreement with Dell, LP. Microsoft 365 Government G3 is for government agencies like the City that use Microsoft Windows, Microsoft Office, and other desktop applications. The software licenses provide City staff access to required applications such as Word, Excel, PowerPoint, SharePoint, and Outlook email via the cloud and/or desktop environments.

BACKGROUND:

The City of Salinas has been using Microsoft 365 Government G3 since 2011. Prior to 2011 the City was using Microsoft 365 Enterprise. The change to Microsoft 365 Government G3 was more cost effective and offered government security and compliance capability. The Microsoft Enterprise Licensing Agreement was negotiated by the County of Riverside and Dell, L.P., as part of a competitive bidding process. Many organizations in the State of California have referenced the agreement to secure the best pricing option available. The enterprise agreement allows the City to pay a flat annual fee and subscribe to the needed software and licensing platforms without paying additional fees for releases and updates. The City currently uses Microsoft 365 Government G3 software for its day-to-day operations to meet security requirements and best practices.

Included in Microsoft 365 Government G3 are the core applications including Microsoft Word, Excel, PowerPoint, SharePoint, and Outlook email via the cloud and/or desktop environments. Microsoft Word is used to create documents including memos, reports, internal and public

correspondence. Excel is used to create spreadsheets to track budgets, inventory, and other data relevant to City business. PowerPoint is used for creating visual presentations. Additionally, SharePoint is one of the main platforms used to create, collaborate, share, and manage files and workflows within the City environment.

Maintaining software licenses is necessary for the maintenance and operations of multiple staff activities and collaboration tools. The current resolution will authorize the continuation of maintaining core Microsoft applications in cloud and virtual desktop environments.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378).

STRATEGIC PLAN INITIATIVE:

The renewal of Microsoft 365 and license supports the City Council’s Goal of Effective and Culturally Responsive Government by ensuring that the information systems can support city programs, projects can City services for the community.

DEPARTMENTAL COORDINATION:

This staff report has been coordinated with City Manager’s Office, City Attorney’s Office, Public Works, Community Development, Library & Community Services, Human Resources, Police, and Fire.

FISCAL AND SUSTAINABILITY IMPACT:

There are sufficient funds in the budget as identified in the following table.

Fund / Appropriation	Appropriation Name	Total Appropriation	Amount for recommendation	FY 24-25 Operating Budget Page*	Last Budget Action (Date, Resolution)
1000.20.2033	Outside services-Software	\$888,834.00	\$289,163.76	123	6/11/24, 22979

* The FY 24-25 Adopted Budget was adopted on June 11, 2024.

ATTACHMENTS:

1. Resolution
2. Dell, LP., Quote
3. Riverside County MSFT EA Amendment