



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: NOVEMBER 18, 2025

DEPARTMENT: FINANCE DEPARTMENT

FROM: SELINA ANDREWS, FINANCE DIRECTOR

BY: CARLOS ORTEGA, INFORMATION SYSTEMS MANAGER

TITLE: ADDITIONAL MICROSOFT OFFICE 365 GOVERNMENT
LICENSING

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager and Purchasing Agent to increase the total compensation for Dell, LP. to purchase additional Microsoft Office 365 Government software licenses by \$50,000.00 for a total amount not to exceed \$339,476.60 from September 1, 2025 through August 31, 2026.

EXECUTIVE SUMMARY:

Approval of the Resolution will allow the City of Salinas (City) to continue to provide, maintain, and support various Microsoft technology programs and platforms for City departments. Software licenses grant City staff access to applications such as Microsoft Word, Excel, PowerPoint, SharePoint, and Outlook email via the cloud and desktop environments. Additional productivity software such as Microsoft Power Bi, Visio, and Co-Pilot are not included in standard licensing models. These additional technology programs are add-on options for the overall Microsoft portfolio for new functionality to improve data visualization and operational efficiencies.

BACKGROUND:

On August 26, 2025 City Council approved a resolution authorizing the City Manager and Purchasing Agent to renew the Microsoft 365 Government G3 licensing through Dell, LP. Microsoft 365 Government G3 includes core applications such as Microsoft Word, Excel, PowerPoint, SharePoint, and Outlook email available in both cloud and desktop environments. Licensing is based on a per-user model and the renewal accounted for all existing licensing requirements.

Microsoft 365 Government G3 licensing includes a wide variety of productivity tools used by City staff. However, there are software applications such as Microsoft Power Bi, Visio, and Co-Pilot that are not included with G3 licensing. In this scenario, additional software licensing is required to use the software. Licensing is based on a per-user model and there is an additional cost for each

software application that is used. For example, Microsoft Power Bi is a data visualization tool that enables the creation of reports, dashboards, and supports numerous integrations with other enterprise applications to provide real-time information to support data driven decision making. Another example is Microsoft Visio that enables creation of organizational charts, network diagrams, and flow charts.

Purchasing additional Microsoft Office 365 Government licensing from Dell, LP will help support software needs to realize operational efficiencies and improve service delivery.

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). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

GOVERNMENT CODE SECTION 84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

Approval of the recommended resolution achieves the City Council 2025 Strategic Goal of Infrastructure and City Services by continuing investment in technology systems to engage residents and improve communication to the community.

DEPARTMENTAL COORDINATION:

This staff report has been coordinated with the City Manager's Office and City Attorney's Office.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1000	20.2033-63.4980	Outside Services Maintenance - Software	\$413,713	\$50,000

ATTACHMENTS:

1. Resolution

