



**CITY OF SALINAS  
COUNCIL STAFF REPORT**

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**DATE:** JUNE 30, 2026

**DEPARTMENT:** FINANCE DEPARTMENT

**FROM:** SELINA ANDREWS, FINANCE DIRECTOR

**BY:** CARLOS ORTEGA, DEPUTY DIRECTOR OF INFORMATION TECHNOLOGY

**TITLE:** MICROSOFT SOFTWARE ASSURANCE LICENSING RENEWAL

RECOMMENDED MOTION:

A motion to approve a Resolution authorizing the City Manager and Purchasing Agent to complete the purchase of Microsoft Software Assurance Licensing for a three-year term, paid in annual payments, from CDW LLC in an amount not to exceed \$256,103.43 from May 31, 2026 to May 31, 2029.

EXECUTIVE SUMMARY:

Approval of the Resolution will allow the City to provide continued support for various technology programs and platforms that utilize Microsoft software. Software Assurance ensures systems are eligible for security patches, version upgrades, and technical support. Software Assurance licensing is offered to government organizations with 250 or more users as a cost-effective way to maintain active support for on-premises software over a three-year term.

BACKGROUND:

On July 19, 2017, the City purchased additional Microsoft Windows Virtual Server licensing for its virtual desktop environment. Prior to this, the City purchased numerous perpetual licenses for Microsoft Windows Server, Microsoft SQL Server, and Microsoft Windows Virtual Server. Perpetual licensing is a one-time purchase and the City owns the license. However, the City must continue to purchase Software Assurance to maintain active support, access to security patches, and software version upgrades.

On June 19, 2025, The City completed the third annual payment for Software Assurance to CDW LLC. in the amount of \$83,244.64 for a total amount of \$249,733.92 from May 31, 2023 to May 31, 2026.

Microsoft Server software is utilized daily for the core infrastructure that provides access to software applications utilized by numerous departments and staff. Maintaining support and version upgrade eligibility is necessary for the maintenance and interoperability of multiple technology systems supported by the City’s core technology infrastructure to support city services.

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.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

Yes.

STRATEGIC PLAN INITIATIVE:

Approval of the recommended resolution achieves the City Council 2025 Strategic Goal of Infrastructure and City Services by continued investment in technology systems enabling resident engagement and improved 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:

Funding for Microsoft Software Assurance licensing is available and appropriated in FY 25-26 operating budget. Additional funding requirements will be incorporated in future budget requests.

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
1100	20.2033-62.8550	Supplies & Materials Software	\$85,367.81	\$85,367.81 (year 1)

ATTACHMENTS:

1. Microsoft Software Assurance Licensing Renewal Resolution
2. CDW, LLC. Quote