



# County of Monterey

**Item No.**

## Board Report

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: A 24-144**

April 16, 2024

**Introduced:** 3/26/2024

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

- a. Authorize the Chief Information Officer to execute Amendment No. 2 to the non-standard Agreement with a State and Local Agency Server and Cloud Enrollment Agreement with Insight Direct USA, Inc. (Insight), a Microsoft licensing reseller, for Microsoft Office 365 government services, data backup software, subscriptions, and associated maintenance/support, extending the Agreement through June 30, 2025, and increasing the amount by \$118,000 for a new Agreement maximum amount of \$4,769,635; and
- b. Authorize the Chief Information Officer or his designee to sign order confirmations on an as-needed basis; and
- c. Authorize the Chief Information Officer to execute up to one (1) amendment to the Agreement, extending the term by one (1) year, where the additional cost of one extra amendment does not exceed 10% (\$11,800) of the amount of increase allowed by this Amendment No. 2 (\$118,000), bringing the maximum additional compensation to \$129,800 for the additional one-year term and potential overall Agreement aggregate not to exceed amount to \$4,899,435.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Authorize the Chief Information Officer to execute Amendment No. 2 to the non-standard Agreement with a State and Local Agency Server and Cloud Enrollment Agreement with Insight Direct USA, Inc. (Insight), a Microsoft licensing reseller, for Microsoft Office 365 government services, data backup software, subscriptions, and associated maintenance/support, extending the Agreement through June 30, 2025, and increasing the amount by \$118,000 for a new Agreement maximum amount of \$4,769,635; and
- b. Authorize the Chief Information Officer or his designee to sign order confirmations on an as-needed basis; and
- c. Authorize the Chief Information Officer to execute up to one (1) amendment to the Agreement, extending the term by one (1) year, where the additional cost of one extra amendment does not exceed 10% (\$11,800) of the amount of increase allowed by this Amendment No. 2 (\$118,000), bringing the maximum additional compensation to \$129,800 for the additional one-year term and potential overall Agreement aggregate not to exceed amount to \$4,899,435.

**SUMMARY:**

Microsoft Office 365 (O365) offers a comprehensive suite of productivity tools, including email, collaboration platforms, and document management, facilitating seamless communication and teamwork across organizations. The proposed amendment will allow the County to continue to use services through June 2025 and adds funding for additional licenses on an as-needed basis.

DISCUSSION:

The County's reliance on Microsoft enterprise solutions for conducting business operations is integral to meeting business needs. Microsoft Enterprise account allows the County to access Microsoft Office 365 (O365), which is used by every County employee. The service accommodates additional users while enhancing security and access control measures.

The Amendment No. 2 will extend the term through June 30, 2025, while ITD continues to seek out vendors that have competitive pricing, and adds funding for the additional licenses, including Entra P2. The Entra P2 license will provide advanced security features, guaranteeing protection for sensitive data and critical systems with the County. As reliance on cloud environments and enterprise tools grows, ensuring the security and alignment of Microsoft environments with the County's practices from the local data center to the cloud is paramount.

The Chief Information Officer recommends approval of Amendment No. 2, which allows the County to continue making purchases on an "as-needed" basis.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved the non-standard Agreement with Insight Direct USA, Inc. The Auditor-Controller reviewed the contract but disagreed with the non-standard payment provisions.

FINANCING:

Required funds will be included in each Recommended Budget for the Information Technology Department, 1930, Appropriation unit INF002.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Microsoft's cloud services offer more redundancy and resiliency while allowing the County of Monterey to provide resilient email, calendaring, and collaboration tools accessible to County employees from County offices or any location online.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Teresa Meister, Management Analyst II, 759-6938

Approved by:

DocuSigned by:  
  
 Date: 3/28/2024 | 3:51 PM PDT  
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 Eric A. Chatham, Chief Information Officer, 759-6928

Attachments:  
Microsoft Volume Licensing Agreement

*Legistar File Number: A 24-144*

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Amendment No. 1

Amendment No. 2