



CITY COUNCIL STAFF REPORT

ITEM NO. 6.5

DATE: March 9, 2026

TO: Honorable Mayor and City Council

FROM: Tina Olson, Administrative Services Director

SUBJECT: Resolution authorizing the execution of a purchase order with SHI International Corp. for a five-year renewal of Microsoft 365 Licenses under the Statewide Microsoft Enterprise License Agreement (ELA) in an amount not-to-exceed \$1,587,000

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution authorizing a purchase order with SHI International Corp. for a five-year renewal of the City's Microsoft 365 licenses under the Statewide Microsoft Enterprise License Agreement (ELA), in an amount not-to-exceed \$1,587,000 to ensure continuity of the City's daily operations and business functions.

DECISION TYPE

Administrative

SUMMARY

Microsoft 365 is used across City departments to support email, document management, collaboration, other City systems, and security. The new Statewide ELA between the State of California and SHI provides standardized terms and favorable pricing for participating public agencies. The total cost of the purchase order will not exceed \$1,587,000 over the five-year term, subject to annual budget appropriations.

DISCUSSION

The City utilizes Microsoft 365 as a core productivity platform to support daily operations across all departments, including email services, document creating and storage, collaborations tools, support other City systems including financial/human resources and the permitting system, and security features. These services are integral to support service delivery to the public.

The City's current Microsoft 365 licensing is expiring on March 31, 2026, and requires renewal to ensure continued access to these services. The State of California recently established a new Statewide Microsoft Enterprise License Agreement (ELA) with SHI International Corp., an authorized Microsoft

reseller. This statewide agreement provides standardized contract terms and competitive pricing for participating public agencies, including the City of Livermore.

Renewing the City's Microsoft 365 licenses through SHI under the Statewide ELA allows the City to maintain continuity of service while leveraging the benefits of the statewide purchasing program. The proposed five-year purchase order provides long-term pricing stability and reduces administrative effort associated with more frequent renewals.

FISCAL AND ADMINISTRATIVE IMPACTS

The total cost of the proposed five-year purchase order with SHI International Corp., for the period of April 1, 2026, through March 31, 2031, for the renewal of the City's Microsoft 365 licenses will not exceed \$1,587,000. Sufficient funds are included in the adopted budget for the current fiscal year and FY 2026-27. Future-year costs will be considered as part of the City's annual budget process.

There are no additional staffing impacts associated with this action. Renewing the licenses under the Statewide Microsoft ELA provides standardized terms and pricing and minimizes administrative effort by utilizing an existing cooperative purchasing agreement rather than conducting a separate procurement process.

COMMUNITY PILLAR

5: A City That Works

GOAL

11: Modernize key business systems and processes to increase efficiency and improve transparency

ATTACHMENTS

1. [SHI Quote](#)
2. [Resolution](#)

Prepared by: Paul Galick
Acting IT Manager

Approved by:



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City Manager

Fiscal Review by:



Tina Olson
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