

COUNCIL COMMUNICATION

DATE: 05/19/25	SUBJECT: Motion Consideration to approve the purchase of licenses from Microsoft Inc. for the Microsoft Office 365 productivity, collaboration, and communications suite, a cloud-based solution through SHI International Corp., a Microsoft partner for the total amount of \$656,010 for year one with options to renew for years two and three, under DIR contract #DIR-CPO-5237. Microsoft 365 will replace the City’s current on-premises email servers. On-premise email servers are no longer considered an industry best-practice and are a cybersecurity risk. Funding is available in the IST Administration Division	
INITIATED BY: Steve E. Landin, Assistant City Manager		STAFF SOURCE: Joe Rivera, Information Services & Telecommunications Director
PREVIOUS COUNCIL ACTION: None		
BACKGROUND: The City of Laredo is using a legacy on-premises Microsoft Office Suite (Word, Excel, PowerPoint) and Microsoft Exchange email server solutions. Most private and public sector organizations have moved away from on-premises email solutions, primarily because of the security concerns around on-premise email. By purchasing Microsoft 365, a cloud-hosted solution which includes web-hosted email, Office suite, and productivity tools, the City will gain access to new Microsoft email security tools and expertise. This cloud-based Office suite includes enhanced versions of Microsoft Word, Excel, and PowerPoint, which have new collaboration features not available in on-premise versions. New communication and collaboration tools like Microsoft Teams, SharePoint, and OneDrive are included in this purchase, which will be protected by security tools, like Microsoft’s MFA solution. Some of the solutions included with Microsoft 365 will eventually replace other legacy solutions currently used by the City, which will allow IST to consolidate services and terminate costs.		
FINANCIAL IMPACT: Funding is available in IST Administration line item #595-5505-512-0700.		
COMMITTEE RECOMMENDATION: N/A		STAFF RECOMMENDATION: Staff recommends approval.