



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 8/31/2021

To: Board of Supervisors

Department or Agency Name(s): Information Systems Department

Staff Name and Phone Number: Jonathan Kajeckas 707-565-2456

Vote Requirement: 4/5th

Supervisorial District(s): All

Title:

Microsoft 365 Implementation Services

Recommended Actions:

- A) Authorize the Information Systems Department Director or designee to execute a purchase of professional services from Insight Public Sector for implementation of Microsoft 365 software in the amount of \$526,509 plus associated expenses totaling \$15,000 during an expected 12-month implementation.
- B) Authorize the Information Systems Department Director or designee to execute future amendments to the Statement of Work with Insight Public Sector, which are consistent with the essential terms of the original engagement, not to exceed \$200,000, and allow for up to three one-year extensions of this engagement.

Executive Summary:

During the current IT Risk Assessment and Business impact analysis conducted by Evolver, Inc. the consultant indicated that business disruption from an outage of email alone would result in high added costs for the County due to lost productivity if the disruption were to occur during normal operations, and much higher costs if the outage were to occur during a public emergency. Evolver recommended immediate migration of email to cloud hosting due to the risk of power outages and wildfires disrupting county operations.

Email is a core component of Microsoft 365, which is a set of software and cloud-based online services that also includes additional features for communication, collaboration, and data security. Migrating county data and services to Microsoft 365 requires both a licensing agreement and a vendor services implementation. ISD has recently purchased the license subscription through a new state contract. Board approval of this item is required for vendor implementation services to securely configure the online services, migrate data, support and train customers, and manage a multi-faceted transition to new tools.

Discussion:

Drawing on lessons from the 2017 wildfires and other events, the Board in 2019 approved the IT Resiliency Program, including the goals of a consultant engagement for Risk Assessment and Business Impact Analysis, currently in progress with Evolver, Inc., and planning for migration to cloud-based collaboration software.

The Information Systems Department hosts most of the County's electronic data, including email, in physical locations in Sonoma County, which are subject to disruptions from wildfire, earthquake, prolonged power outage, and other local hazards. An efficacy study in Spring of 2021 by Evolver, Inc. indicates that business disruption from an outage of email alone would result in high added costs for the County due to lost productivity if the disruption were to occur during normal operations, and much higher costs if the outage were to occur during a public emergency. Evolver recommended immediate migration of email to cloud hosting due to the risk of power outages and wildfires disrupting county operations.

By subscribing to Microsoft 365 hosting services from secure data centers outside the region, County data will be kept safe from local disasters affecting Sonoma County such as wildfire, earthquake, prolonged power outages, and other hazards. The resilience of services such as email will also increase, providing the highest likelihood of uninterrupted access to critical data and communications tools when compared with options such as a local data center or nearby alternate facility. Migrating county data and services to Microsoft 365 requires both a licensing agreement and a vendor services implementation.

ISD has leveraged a new state licensing contract negotiated by the California Department of Technology in collaboration with representatives from local governments to transition to Microsoft 365 subscription-based licenses at an average annual discount of 20% and savings of approximately \$3 million over the five-year term of the licensing agreement compared to other agreements, while providing higher functionality.

The implementation services vendor, Insight Public Sector, was awarded a contract through a competitive process conducted by the State of Utah resulting in a multi-year cooperative agreement and participating addendum by the State of California (Exhibits A and B) which has been reviewed by Purchasing and meets County criteria for competitive award and cooperative agreement; this item seeks Board approval to use that contract to implement a Statement of Work developed for our specific needs (Exhibit D). Included in the scope of work is the configuration of online services including security functionality, migration of email and data files to online hosting, support for business process design using new collaboration functionality, support for mobile device access, and customer training.

Prior Board Actions:

11/17/20 Board approved contract with Evolver, Inc. for County Information Technology risk and cyber-security assessment and business impact analysis.

4/30/19 Board established the IT Resiliency Program, and stated that consulting services would be engaged to develop detailed plans to transition the County from the Microsoft Office tools to a new cloud based productivity and collaboration suite.

6/15/18 - FY 2018/19 Budget Hearing Actions: Board established \$1.7 million in General Fund Reserves for Information Technology Continuity of Operations.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses	350,000		
Additional Appropriation Requested	391,509		
Total Expenditures	741,509		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance	741,509		
Contingencies			
Total Sources	741,509		

Narrative Explanation of Fiscal Impacts:

Fund balance use of \$741,509 from ISD Replacement A Fund includes \$670,000 from \$1.7 million information technology resiliency funds set aside by the Board during Fiscal Year 2018/19 budget hearings to support IT Continuity of Operations. Use of this funding was further detailed in the IT Resiliency Program Update presented to the Board on April 30, 2019, Item 2019-0497. \$350,000 of the Fund Balance is included in the department’s Fiscal Year 2021-22 Adopted budget, with the remaining \$391,509 to be programmed through Q1 consolidated budget adjustments should today’s action be approved.

Staffing Impacts:			
Position Title (Payroll)	Monthly Salary Range (A - I Step)	Additions (number)	Deletions (number)

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

- Exhibit A: State of California Participating Addendum State of California-Cloud Solutions- AR2485/ 7-17-70-40-01-61001567, dated September 20, 2017
- Exhibit B: State of Utah Cooperative Contract #AR2485
- Exhibit C: Bid #CH16012 - NASPO ValuePoint Cloud Solutions
- Exhibit D: Statement of Work
- Single Source Waiver

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Related Items "On File" with the Clerk of the Board: