

RESOLUTION NO. _____ (CM)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WATSONVILLE APPROVING SOLE SOURCE PURCHASE WITH THE STATE OF CALIFORNIA DEPARTMENT OF TECHNOLOGY (CDT), FOR THE PURCHASE OF MICROSOFT 365 SOFTWARE, IN AN AMOUNT NOT TO EXCEED \$256,167 (FUNDED FROM ACCOUNT 285-7360 HOSTED SERVICES)

WHEREAS, competitive bidding requirements for the purchase of supplies, equipment and non-personal contractual services and the sale of personal property are set forth in Chapter 5 of Title 3 of the Municipal Code; and

WHEREAS, subdivision (c) of § 3-5.210 exempts equipment, supplies, or nonprofessional services that have been uniformly adopted or otherwise standardized in the City, available only from one source, or sought to match existing equipment or supplies already in use (also known as a sole source purchase) from the bidding requirements; and

WHEREAS, CDT has negotiated a contract with Microsoft through the state selected vendor SHI, and is able to offer better pricing on licenses to the City than the City would be able to obtain if it negotiated directly with Microsoft. The City would thus like to purchase two licenses from CDT; and

WHEREAS, other public agencies regularly purchase licenses from CDT.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATSONVILLE, CALIFORNIA, AS FOLLOWS:

1. Adopting a Resolution approving a sole source purchase of software licenses does not meet CEQA's definition of a "project" because the action does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, and because the

action constitutes organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment and if a “project,” is exempt under the “common sense” exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment.

2. The Council finds that the purchase of Microsoft 365 licenses is available from one source that meets the needs of the City (also known as a sole source purchase).

3. This purchase is exempt from the purchasing procedures of Chapter 5 of Title 3 of the Municipal Code as a sole source purchase under subdivision (d) of § 3-5.210 of the Municipal Code.

4. The purchase of Microsoft 365 Licenses with the California Department of Technology, in an amount not to exceed \$256,167 is hereby authorized.
