



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 06/01/2021

ITEM NO: 6

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DATE: May 19, 2021  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Purchase Microsoft Software Licensing from SoftwareONE in an Amount Not to Exceed \$73,724.17.

**RECOMMENDATION:**

Authorize the Town Manager to purchase Microsoft software licensing from SoftwareONE in an amount not to exceed \$73,724.17.

**BACKGROUND:**

The Fiscal Year 2021/22 Operating Budget anticipated the annual renewal of Microsoft software licensing in the Town's Information Technology Budget Operating Expenditures line.

Generally, the Town Council does not review routine software licensing purchase requests; however, as software usage has increased and since the combined purchase price for these licenses exceeds the Town Manager's purchasing authority of \$50,000, this purchase requires Council approval pursuant to the Town Purchasing Policy.

**DISCUSSION:**

This Microsoft software purchase includes annual licensing for server operating systems, server management, server applications, Office 365 services, and security software on both staff accounts and in the cloud.

In accordance with the Town Purchasing Policy Section 7c regarding Cooperative Purchasing, the prices for Microsoft software license renewals are negotiated by the County of Riverside and sold by volume licensing partner SoftwareONE. Most California agencies, from large ones such as the Department of Motor Vehicles, to small cities and special districts, use this purchasing arrangement to obtain the best prices.

**PREPARED BY:** Sai Kim  
IT Manager

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Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

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SUBJECT: SoftwareONE Microsoft Software Licensing

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DISCUSSION (continued):

The Town's current Volume Licensing Agreement (Attachment 1) is valid through June 30, 2022. The agreement has no monetary value and is a means of securing pricing. SoftwareONE is the vendor the Town purchases the license through, and the agreement is with Microsoft. The invoice from SoftwareONE for the FY 2021/22 licensing is Attachment 2 to this report.

An interruption in Microsoft licensing software would halt the daily computer operations of Town staff.

CONCLUSION:

Staff recommends that the Town Manager purchase Microsoft software licensing from SoftwareONE for FY 2021/22 in an amount not to exceed \$73,724.17.

COORDINATION:

The Finance Department, IT, and Town Manager's Office coordinated this report.

FISCAL IMPACT:

The fiscal impact is \$73,724.17 in the FY 2021/22 budget and there are sufficient funds available in the IT budget to purchase these software licenses as anticipated.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Volume Licensing Agreement
2. SoftwareONE Invoice