



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE:

June 19, 2019

DEPARTMENT:

Finance

DIVISION:

Purchasing

- ☒ Motion
- ☐ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

TITLE:

Lease Agreement: Dell Financial Services

SUMMARY RECOMMENDATION:

Authorize the Interim City Administrator to execute a four-year tax-exempt municipal lease for Personal Computers (PCs) with Dell Financial Services, at an annual payment of \$242,097.75 for a total cost of \$968,391.00. At the conclusion of the lease period, Dell Financial Services will transfer ownership of all equipment to the City for a fee of \$1.00. (Information Technology/Technical Support) (Kathy Fernandez)

REPORT:

The IT Department supports over 800 PCs installed throughout the City. The average age of the City's PC inventory is seven years. Manufacturer warranty and support agreements have expired and cannot be renewed. As PC equipment fails, staff attempts to perform repairs; however, part availability is dependent upon the manufacturer.

The City does not have a cyclical technology replacement program in place. Replacements are only considered at failure, as part of a specific department-funded initiative, or through periodic capital budget allocations. The proposed equipment lease will replace 725 PCs. The lease includes configuration, installation services and warranty support through the lease term.

Dedicated or assigned PCs will be replaced, excluding monitors. A portion of the existing PC inventory will be repurposed and used to replace kiosk or shared PCs. The remaining PCs will be donated or surplus depending on viability.

Funds are included in the FY20 budget.

FISCAL REQUIREMENTS	CITY FUNDS:	\$242,097.75	BUDGETED:	\$270,000.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP: 001-15-20-7401	
	TOTAL:	\$242,097.75		
	FISCAL IMPACT STATEMENT: The remaining three years will be budgeted annually.			
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5.			
	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? <input checked="" type="radio"/> Department <input type="radio"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	John D. Simonton		6/11/2019	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files		6/11/2019	
	RECOMMENDED BY (DEPT/DIV HEAD):		DATE:	
Lisa Marlin		5/29/2019		
WRITTEN/SUBMITTED BY:		DATE:		
Robin R. Wilson		5/29/2019		