



## AGENDA ITEM SUMMARY

<b>Agenda Date</b>	December 12, 2023
<b>Requested Action</b>	APPROVE RESOLUTION NO. 2023-R93; AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A LEASE AGREEMENT BETWEEN THE CITY OF BOERNE AND DELL FOR AN AMOUNT NOT TO EXCEED \$100,940.00. (LEASE FOR COMPUTERS)
<b>Contact Person</b>	Mike Raute, IT Director
<b>Background Information</b>	<p>Several years ago, the City of Boerne began leasing with Dell Financial Services for computers. By leasing the computers, several benefits have been provided for the City of Boerne.</p> <p>Leasing with Dell Financial Services has helped to save the City money by avoiding the upfront costs associated with purchasing new equipment. Instead, the city pays a smaller, fixed monthly or annual fee for the duration of the lease, which means that the lease preserves capital by acquiring assets with a minimal initial expenditure.</p> <p>Leasing with Dell Financial Services has also provided the city access to the latest technology without the need to purchase new equipment every few years, thus ensuring that the city has up-to-date equipment that meets the needs of each department and is consistent and in compliance with our technology equipment policy, to refresh computers every four to five years.</p> <p>Finally, leasing computers has provided flexibility as the computer equipment can easily be upgraded or replaced as needed, without having to deal with the hassle of selling or disposing of outdated equipment as required by law.</p> <p>Many cities have found High-tech equipment leasing to make the most efficient use of resources.</p> <p>The city will be utilizing the Texas Department of Information Resources (DIR) for the procurement of leasing computers which offer additional benefits that include:</p> <ul style="list-style-type: none"><li>• Competitive Pricing -the DIR has pre-negotiated pricing with approved vendors, which saves time and money in the</li></ul>

	<p>procurement process, and;</p> <ul style="list-style-type: none"> <li>• Quality assurance - the DIR only approves vendors who meet certain quality standards, ensuring that the city receives high-quality equipment and services.</li> <li>• Utilizing the DIR also streamlines the procurement process, as the City can easily search for and select approved vendors without having to go through the lengthy bidding process.</li> <li>• Dell DIR contract DIR-TSO-3763</li> <li>• In FY 2023-2024, the current lease of 75 computers will be ending. Staff budgeted this year (FY 2023-2024) to go ahead and lease 77 computers, for multiple reasons. Replacing one fourth to one fifth of all computers each year will help stagger the lease to help balance out the replacement schedule over multiple years instead of staff having to do one massive replacement every four to five years.</li> <li>• This lease will be a for 5-year term with an annual lease payment of \$20,187.89. This lease will also have a \$1.00 buy-out option at the end of the lease. The option to purchase the computers for \$1.00 will also allow staff to warranty them for two additional years, if so desired, and use them in other departments as replacements as necessary. So, the total price of the lease and buy out at the end of the term will be \$100,939.45.</li> <li>• Each computer will have a Five-year next business day warranty and accidental damage coverage.</li> </ul>
<b>Item Justification</b>	<div> <div> <input checked="" type="checkbox"/> Legal/Regulatory Obligation  <input type="checkbox"/> Reduce Costs  <input type="checkbox"/> Increase Revenue  <input type="checkbox"/> Mitigate Risk  <input type="checkbox"/> Master Plan Recommendation </div> <div> <input checked="" type="checkbox"/> Infrastructure Investment  <input type="checkbox"/> Customer Pull  <input checked="" type="checkbox"/> Service Enhancement  <input checked="" type="checkbox"/> Process Efficiency  <input type="checkbox"/> Other: <u>Mayoral Appt</u> </div> </div>
<b>Strategic Alignment</b>	<p>Safety &amp; Security</p> <p>F2 - Investing in and maintaining high-quality infrastructure systems and public assets.</p> <p>B3 - Providing streamlined and efficient processes.</p>
<b>Financial Considerations</b>	<p>Budgeted Item for FY 2023-2024</p> <p>Dell DIR contract DIR-TSO-3763</p> <p>Texas Department of Information Resources has done all of the time-consuming procurement work. All contracts have been competitively bid so government entities no longer have to prepare competitive solicitations or evaluate responses. (TGC 2054.0565 states that DIR contracts meet the competitive requirements for all governmental entities.)</p>

<b>Citizen Input/Board Review</b>	N/A
<b>Legal Review</b>	Legal review completed by Mick
<b>Alternative Options</b>	N/A
<b>Supporting Documents</b>	Dell Financial Services Agreement Dell Financial Services Lease Schedule Dell Financial Services Amortization Schedule