



AGENDA ITEM SUMMARY

Agenda Date	10/22/2024
Requested Action	CONSIDER RESOLUTION NO. 2024-R83; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE AN AGREEMENT WITH DELL FINANCIAL SERVICES FOR AN AMOUNT NOT TO EXCEED \$184,493.15 (LEASE FOR COMPUTERS)
Contact Person	Mike Raute, IT Director
Background Information	<p>Description: This resolution seeks approval to authorize the City Manager to enter into an agreement with Dell Financial Services for a lease of computers, in an amount not to exceed \$184,493.15. The agreement is part of the City of Boerne's ongoing strategy to lease technology equipment, which has demonstrated financial and operational benefits over time.</p> <p>Background: The City of Boerne began leasing computers through Dell Financial Services several years ago, recognizing the cost-effective and flexible nature of this approach. Leasing computers helps the city avoid the large upfront costs of purchasing equipment while providing a predictable monthly or annual payment structure. This spreads out the cost, allowing the city to preserve its capital for other priority initiatives. Additionally, the lease will ensure that the city maintains access to up-to-date technology, replacing outdated equipment every four to five years.</p> <p>Key Benefits of Leasing with Dell Financial Services:</p> <p><u>Cost Savings:</u> Leasing computers allows the city to avoid upfront capital expenditures, offering a stable, predictable cost structure that supports better budget management.</p> <p><u>Access to Current Technology:</u> The lease will enable regular technology refreshes, ensuring city departments have the tools needed to remain productive and efficient in meeting operational needs.</p> <p><u>Flexibility in Technology Management:</u> The agreement allows for easy upgrades and replacement of outdated equipment, simplifying asset</p>

	<p>management and ensuring proper disposal of electronics as required by law.</p> <p>The City will leverage the Texas DIR procurement process, which provides pre-negotiated, competitive pricing and eliminates the need for a lengthy bidding process. This ensures high-quality equipment from an approved vendor and a streamlined procurement process.</p> <p>Specific Benefits to the City of Boerne:</p> <p><u>Replacement of Outdated Equipment:</u> This lease will replace 25 training and loaner laptops, as well as 60 iPads currently used by the Police Department. Switching to Windows tablets will prepare the city for future police body and dash camera technology, which requires a Windows operating system for optimal functionality.</p> <p><u>Meeting New Staffing Needs:</u> The lease will provide computers for new Full-Time Equivalents (FTEs) hired in FY 2024-2025 across various departments, including Utilities, Police, and Communications.</p> <p><u>Operational Continuity:</u> Each computer will have a five-year next-business-day warranty and accidental damage coverage, ensuring uninterrupted access to working technology.</p> <p>Lease Details: The lease agreement spans five years with an annual payment of \$42,407.80, for a total lease cost of \$184,493.15. At the end of the term, the City has the option to purchase the computers for \$1.00 and extend their warranty for two additional years.</p> <p>Conclusion: The proposed lease agreement with Dell Financial Services provides the City of Boerne with a cost-effective, flexible, and scalable approach to maintaining up-to-date technology. It ensures operational continuity, supports departmental technology needs, and leverages the Texas DIR's competitive pricing for streamlined procurement. Approval of this resolution will allow the city to continue equipping its departments with the necessary technology to fulfill their responsibilities efficiently and effectively.</p>
Item Justification	<div> <div> <input type="checkbox"/> Legal/Regulatory Obligation <input checked="" type="checkbox"/> Reduce Costs <input type="checkbox"/> Increase Revenue <input checked="" 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: </div> </div>

Strategic Alignment	Safety and Security, investing in and maintaining high-quality infrastructure systems and public assets, and providing streamlined and efficient processes.
Financial Considerations	The lease agreement spans five years with an annual payment of \$42,407.80, for a total lease cost of \$184,493.15. At the end of the term, the City has the option to purchase the computers for \$1.00 and extend their warranty for two additional years.
Citizen Input/Board Review	N/A
Legal Review	Completed Addendum to master lease Texas DIR Contract DIR-TSO-3763
Alternative Options	Outright Purchase of Equipment: The city could purchase computers outright, paying the full cost upfront.
Supporting Documents	AIS – Dell Resolution No. 2024-R83 Dell Leasing Schedule Exhibit A Exhibit B