



STAFF REPORT	
<b>SUBJECT:</b> Lease w/Dell Financial Services for Computer Workstations for Administration Departments	<b>MEETING DATE:</b> May 18, 2023
<b>SUBMITTED BY:</b> Melissa Swanson, Administrative Services Director/City Clerk	
<b>PURPOSE OF REPORT:</b> <input type="checkbox"/> Information only <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

**WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:**

The City Council is being asked to authorize the City Manager to enter into a 3-year lease agreement with Dell Financial Services for computer workstations from Computer Logistics.

**BACKGROUND/DISCUSSION:**

In FY 2019/2020, along with the Police Department, the Administration departments, including Finance, Administrative Services, Public Works, and Building and Planning, with the approval of the City Council, transitioned to a leasing model for the acquisition of computer workstations to manage costs and ensure a regular refresh of technology. That 3-year lease recently concluded and equipment is due for a refresh.

Computer Logistics provides contract support services for the Police Department and Administration. They have provided a quote for replacement Dell workstations and would install and configure the workstations, as well as remove the old ones. Dell Financial Services can finance the purchase in a tax-exempt lease structure.

The existing monitors acquired during the last lease are in good condition. Therefore, the proposal does not include the acquisition of monitors, which will result in savings over the prior budgeted lease funds.

Staff recommends the City Council waive competitive bidding and approve the City Manager to enter into a 3-year, tax-exempt lease agreement with Dell Financial Services for 17 workstations and professional services from Computer Logistics. The lease is \$11,749.29 per year, for a grand total of \$31,750.55. Although referred to as a tax-exempt lease, California imposes a use tax. The estimate of use tax is \$2562.49.

**OPTIONS:**

1. Authorize the City Manager to enter into a contract with Dell Financial Services for the lease of the computer workstations by adopting Resolution No. 2023-22
2. Other direction

**FISCAL IMPACT:**

None       \$31,750.55 + Tax (est. \$2562.49) Budgeted Item?    Yes    No

Budget Adjustment Needed?  Yes    No      If yes, amount of appropriation increase:  
\$11,749.29 for FY 2022/23- future payments will be budgeted

Affected fund(s):  General Fund    Measure P Fund    Measure V Fund    Other:

Comments:

**STRATEGIC PLAN IMPACT:**

- Goal #1: Make Clearlake a Visibly Cleaner City
- Goal #2: Make Clearlake a Statistically Safer City
- Goal #3: Improve the Quality of Life in Clearlake with Improved Public Facilities
- Goal #4: Improve the Image of Clearlake
- Goal #5: Ensure Fiscal Sustainability of City
- Goal #6: Update Policies and Procedures to Current Government Standards
- Goal #7: Support Economic Development

**SUGGESTED MOTIONS:**

Move to adopt Resolution No. 2023-22

- Attachments:**
- 1) Resolution No. 2023-22
  - 2) Computer Logistics Proposal
  - 3) Dell Financial Services Lease Proposal

**RESOLUTION NO. 2023-22**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLEARLAKE  
AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE WITH DELL FINANCIAL SERVICES  
FOR COMPUTER REPLACEMENTS FROM COMPUTER LOGISTICS**

**WHEREAS**, the computers in all divisions of the Administration Department are due for replacement with the conclusion of their lease and staff has recommended procuring replacements through a leasing program; and

**WHEREAS**, Computer Logistics is an existing vendor authorized to work on computers in the Administration Department and they have provided a quote for replacement Dell workstations and professional services; and

**WHEREAS**, Dell Financial Services offers a tax-exempt leasing program for municipalities to acquire technology products and services;

**NOW, THEREFORE BE IT RESOLVED** that the City Manager of the City of Clearlake is authorized to enter into a lease agreement through Dell Financial Services for computer replacements in the Administration Department in an amount not to exceed \$11,749.29, plus applicable tax, per year for a term of 3 years; and

**BE IT FURTHER RESOLVED**, that the City Council of the City of Clearlake hereby waives the competitive formal bidding process pursuant to Clearlake Municipal Code Section 3-4.5.

**PASSED AND ADOPTED** by the City Council of the City of Clearlake, County of Lake, State of California, on this 18<sup>th</sup> day of May 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor