



City of Ketchum

December 16, 2019

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

Recommendation to Approve Agreement 20442 with Dell Financial Services for the Leasing of Computers

Recommendation and Summary

Staff is recommending the council authorize the Mayor to enter into agreement 20442 with Dell Financial Services for the leasing of computers using the following motion:

"I move to enter into a Lease Agreement with Dell Financial Services to and authorize the Mayor to sign the Lease Agreement."

The reason for the recommendation is as follows:

- The City of Ketchum recently transitioned to a lease arrangement wherein computer workstations are no longer owned by the City.

Introduction and History

The City of Ketchum recently transitioned to a lease arrangement wherein computer workstations are no longer owned by the City. Leasing computers has been a cost effective, easy to budget process that ensures that all software licenses are compliant. The first lease term under this arrangement has recently concluded with positive service quality experienced by the City.

Analysis

For the Fiscal Year 2020, the City is seeking to lease 30 desktop work stations, 3 laptop, 55 monitors, and accompanying soundbars and adapters.

Financial Impact

The City has received a quote from Dell Financial Services outlining an annual cost of \$14,192.26. The quote is attached for reference. The funds for this lease are included in the budget.

Attachment A: Dell Quote



Prepared For:

City of Ketchum

Grant Gager
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November 14, 2019

Thank you for giving Dell Financial Services L.L.C. ("DFS") the opportunity to provide a technology financing solution. Enclosed is a financing proposal for your new technology needs. We look forward to discussing this opportunity in further detail with you. If you have any questions, please contact me at the phone number or email address below.

Term	36
Option	FMV
Payments:	Annual
Consolidation:	Monthly
Payments Due:	Advance
Interim Rent:	None

ABTECH Technologies Quote Number	Summary Product Description	Product Price	Quantity	Extended Price	Rate Factor	3 Payments
ABTQ8366	OptiPlex 5070 SFF XCTO	\$962.65	30	\$28,879.50	0.30941	\$8,935.61
	Latitude 5500 XCTO Base	\$1,385.85	3	\$4,157.55	0.30941	\$1,286.39
	Dell 24 Monitor - P2419H	\$183.23	55	\$10,077.65	0.30941	\$3,118.13
	Dell Pro Stereo Soundbar - AE515M Skype for Business Certified	\$53.57	30	\$1,607.10	0.30941	\$497.25
	Precision 3630 Tower CTO BASE	\$1,146.98	1	\$1,146.98	0.30941	\$354.89
TOTALS				\$45,868.78		\$14,192.26

Proposal Expiration Date:
 December 14, 2019

PLEASE NOTE:

Personal Property Taxes (PPT) do not apply to this lease.

Leasing and financing provided by Dell Financial Services L.L.C. or its affiliate or designee ("DFS") to qualified customers. Offers may not be available or may vary in certain countries. Where available, offers may be changed without notice and are subject to product availability, credit approval, execution of documentation provided by and acceptable to DFS, and may be subject to minimum transaction size. Offers not available for personal, family or household use. Dell and the Dell logo are trademarks of Dell Inc. Proposal is property of DFS, contains confidential information and shall not be duplicated or disclosed in whole or part. Proposal is not a firm offer of financing. Pricing and rates based upon the final amount, configuration and specification of the supplied equipment, software, services or fees. Prorata payment may be due in the first payment cycle. Proposal excludes additional costs to customer such as shipping, maintenance, filing fees, applicable taxes, insurance and similar items. Proposal valid through the expiration date shown above, or if none is specified, for 30 calendar days from date of presentation.

End of Term Options:

Fair Market Value (FMV) Lease:

- Exercise the option to purchase the products at the then fair market value.
- Return all products to lessor at the lessee's expense.
- Renew the lease on a month to month or fixed term basis.

Tiffany Collins

Financial Solutions Representative

Dell | Financial Services

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Tiffany.Collins@Dell.com

Additional Information:

LEASE QUOTE: The Lease Quote is exclusive of shipping costs, maintenance fees, filing fees, licensing fees, property or use taxes, insurance premiums and similar items which shall be for Lessee's account. Lessee will pay payments and all other amounts without set-off, abatement or reduction for any reason whatsoever. Additionally, Lessee shall declare and pay all sales, use and personal property taxes to the appropriate taxing authorities. **If you are sales tax exempt, please provide a copy of your Exemption Certificate with the Lease Contract.** If Lessee provides the appropriate tax exemption certificates to DFS, sales and use taxes will not be collected by DFS. However, if your taxing authority assesses a **personal property tax** on leased equipment, and if DFS pays that tax under your lease structure, **Lessee must reimburse DFS for that tax expense in connection with the Lessee's lease.**

PURCHASE ORDER: The Purchase Order must be made out to Dell Financial Services L.L.C., One Dell Way, RR8-23, Round Rock, TX 78682. The Purchase Order will need to include the quote number, quantity and description of the equipment. Please be sure to indicate that the PO is for a lease order and shows the type of lease, the term length, and payment frequency. The date of the lease quote referenced should be included. Please be sure to include any applicable shipping costs as a line item and include your address as the SHIP TO destination.

INSURANCE: The risk of loss on the equipment is borne solely by the Lessee. Lessee shall be required to purchase and maintain during the Term (i) comprehensive public liability insurance naming Lessor as additional insured; and (ii) "all-risk" physical damage insurance in a minimum amount of the Purchase Price, naming DFS as first loss payee.

APPROPRIATION COVENANT: The Lease will contain an appropriation of funds clause. The Lessee will covenant that it shall do all things legally within its power to obtain and maintain funds from which the payments may be paid.

DOCUMENTATION: In addition to a duly executed Agreement, other documents as reasonably requested by DFS may be required, such as but not limited to, opinions of counsel, IRS tax exemption forms (if applicable), and audited financials.

PROPOSAL VALIDITY / APPROVALS: This is a proposal based upon market conditions and is valid for 30 days, is subject to final credit approval, review of the economics of the transaction, and execution of mutually acceptable documentation. Upon expiration, lease rates may be changed in the event that market rates change.