



# CITY COUNCIL AGENDA STATEMENT



August 13, 2019

File ID: 19-0379

## **TITLE**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE COMPETITIVE FORMAL BID REQUIREMENT, APPROVING AN EQUIPMENT LEASE WITH DELL FINANCIAL SERVICES FOR MOBILE DATA COMPUTERS, AND APPROPRIATING \$83,220 TO THE GENERAL FUND AND SAID AMOUNT TO THE EQUIPMENT LEASE FUND FOR THE DEBT SERVICE PAYMENT (4/5 VOTE REQUIRED)

## **RECOMMENDED ACTION**

Council adopt the resolution.

## **SUMMARY**

The current equipment lease for mobile data computers expires on August 19, 2019. After extensive research by Police Department staff, the Department is requesting approval of a four-year lease with Dell Financial Services to replace the existing fleet of mobile data computers in police vehicles.

## **ENVIRONMENTAL REVIEW**

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

## **BOARD/COMMISSION/COMMITTEE RECOMMENDATION**

Not applicable.

## **DISCUSSION**

In March 2015, the City entered into a four-year equipment lease with Marlin Business Services Corporation to equip the Police Department with mobile data computers (MDCs) in police vehicles. In anticipation of the lease expiring in August 2019, the Department conducted extensive research to replace the aged computers to keep up with new technology and ensure efficient police operations. As a result of the research, the Department recommends equipping police vehicles with Dell MDCs, to replace the Panasonic MDCs currently used.

The Department's selection of the Dell Latitude 5420 laptop devices as the replacement for Department MDCs was based on several factors, including City Council resolution 2016-117, which designated Dell Inc. as the sole source provider for computer equipment. This resolution allowed the City to purchase Dell

computers leveraging the NASPO Value Point contract number MNWNC-108, which has been extended through March 31, 2020. Consequently, there are operational savings in tooling and in personnel hours to leverage a consistent set of compatible tools for managing Dell devices. Furthermore, the Department has conducted a thorough field evaluation over the past 12 months to validate that the Dell devices are fit to serve as MDCs in police vehicles. For these reasons, the Department is requesting to waive the competitive formal bid requirement and approve an equipment lease of Dell MDCs.

The total equipment cost for 120 Dell Latitude 5420 devices is \$306,069. To be consistent with the current payment terms for MDCs, City staff is recommending approval of a four-year equipment lease with Dell Financial Services, with an annual payment of \$83,220 for four years.

**DECISION-MAKER CONFLICT**

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Council members do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Council member, of any other fact that may constitute a basis for a decision- maker conflict of interest in this matter.

**CURRENT-YEAR FISCAL IMPACT**

Approval of this resolution will result in a four-year equipment lease with Dell Financial Services to equip police vehicles with MDCs. The annual cost for the current MDC lease is \$106,363. The proposed annual amount for the equipment lease with Dell is \$83,220, which results in annual cost savings of \$23,142 when compared to the current MDC lease, as outlined in the chart below.

	<b>2019 Lease Quote</b>	<b>2015 Lease Cost</b>	<b>Annual Cost Savings</b>
MDC Equipment Lease - Annual Cost	\$83,220	\$106,363	\$23,142

The new MDC equipment lease was not included in the current year adopted budget. Approval of this resolution will result in an appropriation of \$83,220 to the Transfers Out category of the General Fund. For the debt service payment, there is an \$83,220 revenue appropriation to the Transfers In category and corresponding \$83,220 expense appropriation to the Other Expenses Category of the Equipment Lease Fund.

**ONGOING FISCAL IMPACT**

Since this is a four-year lease, the annual \$83,220 cost will be included in subsequent years during the budget process.

**ATTACHMENTS**

Attachment 1: Lease quote and amortization schedule from Dell Financial Services

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