SUBJECT: Authorization of Information Technology Equipment Reserve Funds for the Purchase of Computers

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SUMMARY
Staff is requesting authorization to utilize up to $43,000 from the Information Technology Equipment Reserve Fund for the purchase of outdated computers per a five-year schedule as outlined in the current Information Technology Strategic Plan.

STAFF RECOMMENDATION
That the Council adopt Resolution No. 2019-96 authorizing an expenditure of $43,000.00 from the Information Technology Equipment Replacement Reserve Fund for the purchase of 40 computers.

BACKGROUND
The City has an Information Technology Strategic Plan which calls for the replacement and upgrade of obsolete computer equipment and software based on an established schedule. It is a general best practice to replace computers after 5 years to ensure continuity of critical City systems. In addition, the maximum hardware support warranty life cycle for desktops and laptop computers is 5 years. The last computer purchase was made in 2017 for the replacement of 30 outdated computer models that were purchased at different times.

DISCUSSION
The 40 computers scheduled to be replaced have reached their end of support life and require replacement. A total of up to $43,000 is requested from the Information Technology (IT) Equipment Reserve Fund for this purpose.

The City has been using Dell Computers for over 10 years and staff has requested a quote from Dell Corporation (Attachment 2) for the replacement of the computers. The City’s purchasing policy requires that the Council award purchases of goods or services if the
cost is in excess of $25,000 (Resolution No. 2012-74 Section VII 1(5)). In addition, Council action is required to authorize a waiver of formal bids. The City uses Dell computer systems because of the computers’ performance reliability, and Dell’s proficient technical support service, and therefore staff is recommending that Council waive the requirement for formal bids.

**FINANCIAL IMPACT**

A total of up to $43,000 for the purchase of computers will be charged to the Information Technology Equipment Reserve Fund. With the approved appropriation by Council of $30,000 from the General Fund into the Information Technology Reserve Fund included in the fiscal year 2019/20 budget, the Information Technology Reserve Fund has an available balance of $135,550.

**Attachments**
1. Resolution No. 2019-96
2. Computer Replacement – Materials quote from Dell