



REQUEST FOR BOARD ACTION

ITEM NO. 5

DATE OF MEETING: August 24, 2015

REQUESTED BY: Carson Smith, Sheriff

SHORT TITLE: Approval to Execute a Lease Agreement for Dell Financial Services; and Authorizing Issuance of Purchase Order to Dell Financial Services in the Amount of \$37,230.33 for the Lease Purchase of Computer Hardware.

BACKGROUND: Pender County Sheriff's Office personnel use computers in most aspects of their duties. This includes both desktop and mobile hardware. Most of our devices are in need of replacement because of wear-and-tear and/or age. Short term lease-to-own of computer hardware is preferred as it will allow us to replace all the aging equipment in this budget year while spreading the lease payments over three years. We will have both a manufacturer's warranty and an accidental damage warranty on the machines for three years that should cover any situation where the hardware needs to be repaired or replaced. Additionally, it will help us keep computer hardware costs predictable and consistent each budget year eliminating the need for greatly increased funding in any single year to purchase all the equipment outright.

The equipment will be purchased through Dell on North Carolina state contract. Because of volume, we were able to negotiate a total price below the established state contract rate. There are sixty tablets, three laptops, and thirty desktops included in this lease and it will replace the majority of computers in the Sheriff's Office. The lease will be for three years through Dell Financial Services at a rate factor of 0.3495 and there is an option to purchase the products for one dollar at the end of the lease term. Dell's lease rate was lower than the rate offered by CreekrIDGE Capital, a service handling other leases for us.

This expenditure has been budgeted in the FY15-16 Budget Ordinance.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing a lease agreement and purchase order to Dell Financial Services in the amount of \$37,230.33.