



**City Council  
Agenda Item Summary Report**

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| Meeting Date: 4/2/2019      |
| Submitted by: Neil Cardwell |

| Consent <input checked="" type="checkbox"/>  | Discussion Only | Public Hearing | Action/Discussion |
|--|-----------------|----------------|-------------------|
| Item Title: Consider approval to authorize the City Manager to execute the early termination of all leasing agreements with CSI Leasing.             |                 |                |                   |
| How this item ties-in with the City’s Mission, Vision and Values:<br><br>Sound Fiscal judgment and full use of the lifecycle of technology purchases |                 |                |                   |
| Attachments:<br><br>Resolution<br>CSI BuyOut Quotes  |                 |                |                   |

**Item Summary:**

**Technology Summary:**

Resolution will allow the City Manager to execute the early termination of our 6 leases with CSI Leasing. The current lease program is a “Fair Market Value” style lease which requires at the end of the lease for the city to either Pay the current “Fair Market Value” of the items on the lease to keep them, or to return the items and pay only for lost or damaged equipment. The 6 leases contain equipment ranging from our primary storage server at City Hall to computer peripherals. Most of these items useful life does not match the terms of the lease. The city would benefit by purchasing these items outright by closing the lease and placing them into the IT replacement schedule. This will allow for the yearly replacement of a fraction of the total equipment in the city and not everything all at once.

**Finance Summary:**

Terminating the lease and purchasing all the equipment will require a payment of \$171,410. The lease is accruing interest at a rate of approximately 2.66%. Terminating at this time will save the city a little over \$5,000 and we will now own all the equipment.