

COUNCIL COMMUNICATION

From: The City Manager

Subject: Monitor purchase

Manager's Recommendation:

I recommend approval of payment to Lenovo Inc. (IBM's personal computing division), in an amount not to exceed \$33,000.00, for the purchase of personal computer monitors to replace monitors that are at end-of-lease.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this purchase are budgeted and available in the Information Services Capital Outlay Account No. 658-1720-711.97-05.

Justification:

The City of Saginaw currently leases the majority of its personal computing assets from IBM. Monitors, laptops and personal computers are leased for three years. After three years, up-to-date hardware is ordered and swapped with the end-of-lease hardware, which is then returned to IBM. As a cost saving measure, all end-of-lease monitors will be replaced with purchased monitors. Currently, the price for monitors is low and there is little advancement in technology. Useful life expectancy for the monitors should extend beyond five years. Conservatively, total City savings for purchased monitors over five years should be \$30,000 when compared to leasing.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.