# REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

**April 8, 2025** 

#### FROM

PETE MENDOZA, Director, Purchasing Department

#### **SUBJECT**

Amendment to Agreement with Lenovo Financial Services for Fair Market Value Lease Financial Services

#### RECOMMENDATION(S)

- 1. Approve Amendment No. 1 to Agreement No. 20-157 (Master Lease Agreement No. 534688) with Lenovo Financial Services, for fair market value lease of computers, in the amount not to exceed \$5,000,000 per year, and extending the term by five years, for a total contract period of March 24, 2020, through March 23, 2030.
- 2. Authorize the Purchasing Agent to execute Schedules and required documents for purchase or lease of information technology hardware under the Master Lease Agreement, subject to review by County Counsel.

(Presenter: Pete Mendoza, Director, 387-2073)

#### **COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Improve County Government Operations.** 

Operate in a Fiscally-Responsible and Business-Like Manner.

#### **FINANCIAL IMPACT**

This item will not result in the use of additional Discretionary General Funding (Net County Cost). Departments that require lease financing services for information technology hardware are responsible for ensuring adequate funding in their current and future budgets.

#### **BACKGROUND INFORMATION**

The Purchasing Department (Purchasing) procures lease financing services for County departments, and various departments countywide have utilized the contracted lease financing services for approximately 20 years. County departments are responsible for carrying out essential public services, which require maintaining current technology and ensuring systems are secure. The ability to lease and replace computers regularly allows these departments to stay up to date with technology while avoiding large capital outlays that would otherwise be required for purchasing computers.

To assist departments in finding competitive leasing services, Purchasing identified the California Department of General Services Golden State Smart Program (DGS GS \$Mart Program), which establishes a list of qualified information technology vendors through a formal competitive process and helps agencies obtain quotes for the products they require. Lenovo Financial Services (Lenovo) was awarded under the DGS GS \$Mart Program and entered into a Master Lease Agreement (MLA) that would be available to all County departments. On March

## Amendment to Agreement with Lenovo Financial Services for Fair Market Value Lease Financial Services April 8, 2025

24, 2020 (Item No. 40), the Board of Supervisors (Board) approved Agreement No. 20-157 (Agreement) with Lenovo for a five-year term, effective March 24, 2020, through March 23, 2030.

Throughout the term of the Agreement, Lenovo has supplied Lenovo products, along with a variety of other equipment brand options to the County, meeting the needs of departments with rotating computer replacement schedules. These departments follow a replacement cycle to manage the peak workload associated with replacing, reconciling, and returning older computers. If a department requires a temporary lease extension, Lenovo adjusts the Agreement to a month-to-month billing cycle, offering ample time to replace and return outdated equipment.

Since the MLA does not have an expiration date, Purchasing requests the Board's approval to extend the Agreement for an additional five years, for a total contract period of March 24, 2020 through March 23, 2030. Purchasing is requesting delegated authority from the Board for the Purchasing Agent to execute Schedules and other necessary documents related to the purchase or lease of information technology hardware under the MLA. Schedules are used when a department needs to execute a lease agreement.

#### **PROCUREMENT**

N/A

#### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Adam Ebright, Deputy County Counsel, 387-5455) on March 13, 2025; District Attorney (Claudia Walker, Chief of Administration, 382-7689) on February 24, 2025; Purchasing (Leo Gomez, Purchasing Manager, 387-2063) on March 7, 2025; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on March 20, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on March 24, 2025.

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Record of Action of the Board of Supervisors San Bernardino County

#### **OFF CALENDAR**

Moved: Joe Baca, Jr. Seconded: Curt Hagman

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

DATED: April 8, 2025

OF SUPERING COLORS

cc: File - Purchasing Department

CCM 04/11/2025